









HOME NEWS

# Two Cabinet members defend role in EEC safeguards movement

by Our Political Staff

Continued concern about aspects of Britain's involvement in the European Community was expressed yesterday by Mr. William Whitely, Secretary of State for Energy, and Mr. George Shindler, Secretary of State for the Environment, in a Commons debate on the Community Market Safeguards Bill.

The committee is an heir to the anti-EEC referendum campaign, but all concerned yesterday emphasized that they were not waging that campaign again. This committee is a safeguard against the possibility of a referendum being held to protect Britain from what is believed would be the further erosion of the nation's sovereignty.

Sponsored by more than fifty MPs, including Mr. Whitely, the committee is a safeguard against the possibility of a referendum being held to protect Britain from what is believed would be the further erosion of the nation's sovereignty.

Mr. Whitely said that there was any country that had been so successful in its support for the European Community. He said that the committee was a safeguard against the possibility of a referendum being held to protect Britain from what is believed would be the further erosion of the nation's sovereignty.

# Plea for cut in Poulson sentence rejected

John Poulson, aged 65, the former architect, of Carleton Green, Pontefract, West Yorkshire, who has served 21 months of a seven-year sentence for corruption and plotting to corrupt, was refused leave by the Court of Appeal yesterday to appeal against his sentence.

After a two-hour plea by Mr. Gilbert Gray, QC, for a "modest" reduction in the architect's jail term, and a fresh plea for mercy for Poulson by Mr. William Hopkins, a former RAF chaplain to the Queen, Lord Justice Browne said: "The damage to the public interest caused by his offences is incalculable. In the judgment of this court we cannot possibly say that seven years is excessive."

Mr. Gray said: "Poulson has been punished in a number of ways. He is totally ruined professionally, he is legally bankrupt financially, and socially he is unrecognisable. The catalogue of catastrophe which has fallen upon him, albeit self-inflicted, is complete."

When one looks at the catastrophic ruin of this man, nobody could say that the Court of Appeal would be condoning corruption by exercising its inherent mercy in this case."

# Radioactive waste drums concealed cannabis

Vast quantities of cannabis resin were smuggled into Britain in radioactive waste drums designed for the Atomic Energy Research Establishment at Harwell, Mr. George Shindler, QC, for the prosecution, said at the Central Criminal Court yesterday.

The method was one of many used by an international gang headed by a man referred to as "the doctor".

Each drum contained about £47,000 worth of the drug. Customs officials investigating the scheme also uncovered 10 cases of "the doctor" shawls but which in fact concealed cannabis resin with a street value of £230,000.

Mr. Shindler said the drums were adopted in Pakistan where they were used for radioactive waste. They were delivered to Harwell but taken out again by subterfuge and the drums were removed.

Raja Ghazi Khan, aged 48, of Hughenden Road, High Wycombe, Buckinghamshire, and Pransukh Dalsukh Kotak, aged 43, of Fryent Way, Kingsbury, London, pleaded guilty to conspiring to smuggle 10 cases containing cannabis resin into the country. Mr. Kotak also pleaded guilty to a further offence concerning cannabis smuggled in two drums.

Mr. Khan was jailed for three years and Mr. Kotak for four. Judge Clarke, QC, also recommended Mr. Khan for deportation and ordered Mr. Kotak to forfeit £14,525 to the customs.

On Friday the judge jailed Yusuf Ali, aged 48, for six years after he had pleaded guilty to smuggling cannabis in waste containers in 1973 and this year.

Mr. Ali, a director of Inspection and Reclamation Services, of Karachi, admitted that his company owned a drum that had been imported containing radioactive waste. It had been legitimately taken to Harwell and collected after the waste had been removed.

Inquiries at Harwell showed that he had been allowed to collect his drums after telling officials that the Pakistan customs required their return.

Mr. James Williams, a customs officer, said Mr. Khan had met "the doctor" while in prison. "The doctor" was no longer in Britain but the authorities were anxious to interview him.

Questioned by Mr. Julian Priest, QC, for the defence, Mr. Williams said "the doctor" worked under several false names. He had an address in Uxbridge Road, Slough, Berkshire, where he had lived until recently.

The man was clearly the head of an international gang, he added. "He certainly organised the smuggling of cannabis from many countries."

When passing sentence, Judge Clarke told Mr. Khan and Mr. Kotak: "Had you contested this case and been disbelieved on oath there would have been no mitigation at all and your sentences would have been at least one third longer."

# Lawyer who beat his son jailed for 8 years

A man who lashed his son, aged 11, with electric flex until he bled was jailed for eight years yesterday after the judge at the Central Criminal Court, London, had told him: "In one part of you lives Satan."

The man, Herbert Tafara Musikavanhu, was to have been called to the Bar today by Gray's Inn.

The judge said he would see that Mr. Musikavanhu's Inn and the Senate of the Inns of Court and the Bar were told of the case "so that the Bar of England will never be disgraced by your name."

Sir Lionel Thompson, for the prosecution, said that before Mr. Musikavanhu carried out the "almost ritualistic" form of punishment, he tied his son to the bed and stripped and gagged him. He indulged in a pattern of savage beatings because of his son's real, or imaginary, mischievousness or dishonesty.

The boy was struck with a number of implements, including a hammer.

Mr. Musikavanhu, of Holbrook Road, Stratford, London, admitted causing grievous bodily harm to his son, Tichafa, between May 1, 1974, and April 26 this year.

Judge Brian Gibbons, QC, told him: "It has been said on your behalf you have always shown what one might call a good character. No doubt there are people who have, or at least show, good character at least to the outside world. But in one part of you lives Satan."

# Scientists' doubts about 'monster' in Loch Ness

By Penny Symon

Scientists in London were sceptical yesterday about the existence of a monster in Loch Ness.

A team from the Natural History Museum, which has examined the series of underwater photographs taken by researchers from the Boston Academy of Applied Science, believe that they prove nothing.

Dr. J. G. Sheals, keeper of zoology, Dr. G. B. Corbet, deputy keeper of zoology, Dr. H. Greenwood, fish section, Department of Zoology, Dr. H. W. Ball, keeper of palaeontology, and Dr. A. J. Charrig, Curator of Fossil Reptiles, have undertaken not to comment in detail on the photographs until they are released next month at an Edinburgh symposium, which will be attended by Dr. Corbet.

But their general conclusion is that none of the photographs is sufficiently informative to establish the existence, far less the identity, of a large living animal in the loch.

"The photographs were interesting, and we examined them for about 10 days, and we took them very seriously indeed," Dr. Sheals said. "But we came to the conclusion that they proved nothing. I feel that the possibility of there being a very large animal in the loch is very low indeed, and the photographs, four separate shots, did nothing to dispel my theory."

Dr. Ball thought that, inadvertently, the photographs might be of something familiar seen in unfamiliar circumstances. "I should very much like to see photographs of familiar objects such as logs, or plastic bags, which were taken in unfamiliar circumstances, such as under water," he said.

# Taxi man fined over method of charging journey

Kenneth Kulai, aged 35, a taxi driver, of Coventry Street, Brighton, was fined £8 by Brighton magistrates yesterday for charging a passenger for journey time and not distance.

He denied two offences against local by-laws, claiming that he could choose whether to charge by distance or time.

Later Mr. Reginald Betts, chairman of the Brighton branch of the Transport and General Workers' Union, said he would seek union advice on the implications of the decision.

# Jail terms of fire plot men halved

Two Irishmen, each jailed for 20 years for plotting a fire-bomb raid on a suburban shopping centre, had their sentences cut yesterday by the Court of Appeal.

Lord Widgery, Lord Chief Justice, sitting with Lord Justice James and Lord Justice Goff, reduced the sentences of John Bartholomew and John Sylvester, both 29, to 10 years.

Mr. Bartholomew, of Madeley Road, Ealing, and Mr. Sylvester, of 31, Fulham Court, Fulham, were jailed by Mr. Justice Melford Stevenson at the Central Criminal Court on March 18.

The trial came after the placing of incendiary devices at several shops at Uxbridge, Middlesex. Six other Irishmen, also received 20-year sentences in connection with IRA bomb plots in 1974 in London, Uxbridge and Maidenhead.

The trial judge publicly rebuked three defence QCs and their juniors for mud-slinging against police witnesses. He suggested in court that the lawyers' fees from the legal aid fund should be disallowed. They were later reduced by a third.

The Court of Appeal quashed the convictions against Mr. Bartholomew and Mr. Sylvester. Cornelius Michael McPadden, aged 23, of Gunnersbury Lane, Uxbridge, was refused leave to appeal against his conviction and 20-year sentence for his part in bomb plots and possessing explosive substances.

Hugh Patrick Gerard Cunningham, aged 27, of Arminger Road, Shepherd's Bush, also jailed for 20 years for plotting to cause explosions in central London, was refused leave to appeal against his conviction and sentence, but his brother, Robert, aged 24, of The Vale, Acton, had his conviction of plotting explosions at Uxbridge quashed and a conviction of conspiring to commit arson substituted.

His 20-year sentence for that offence was halved but he was refused leave to challenge his conviction and 20-year sentence for plotting explosions at Maidenhead.

Eddie O'Neill, aged 23, of Davisville Road, Shepherd's Bush, jailed for 20 years for his part in the London bomb plots, and Patrick Joseph Mulvey, aged 22, of Penryton Road, Maidenhead, jailed for 20 years for plotting explosions at Maidenhead and possessing explosives, were refused leave to appeal.

# Nurse loses claim for injury

A former nurse who injured her back while helping to lift an 18-stone patient lost a claim for damages against a hospital board in the High Court yesterday.

Mrs. Mary Steinhilber, of Oaklands Road, Epsom, Kent, was injured six years ago in the emergency unit at West Hill Hospital, Dartford. She said the injury had ended her nursing career, leaving her in constant pain so that she could not even lift her two young children.

"She maintained that a mechanical lifting device should have been provided for such a heavy patient."

But Mr. Justice Kilner Brown said that as the law stood she could not prove that the South East Metropolitan Regional Hospital Board was in breach of duty.

"If I were able to give compensation on the basis of sympathy, this young lady would have as much as any judge could award," he said. "She was doing the best she could to help a severely injured old woman. She was carrying out her nursing duties in the highest tradition of her profession when she was hurt."

But it was not reasonable to expect hospital authorities, just because there was a risk that a nurse might injure her back when lifting a patient, to do something about it.

# £500,000 appeal by university

Edinburgh University students' union launched an appeal for £500,000 yesterday, to improve and expand facilities for its 10,000 students. It hopes to build a multipurpose hall to provide an entertainment and cultural centre which will also be available to Edinburgh, the Lothian region, and other organisations for conferences and dinners.

In the appeal brochure, the Duke of Edinburgh, the university's chancellor, says the biggest slice of the resources for recent expansion went into academic buildings, while community buildings tended to be neglected.

# Kidney machine airlift

An RAF helicopter lifted a kidney machine cabin on to prepared foundations in a back garden at Heathcote Road, Whitnash, Warwickshire yesterday. It will be used by Mr. Paul Purrewell, aged 31, and enable him to lead an almost normal life.

# Life sentence is revoked so man can go to hospital

Mr. Justice Mals, yesterday revoked what he himself had described as a wholly inappropriate life sentence on John Brazil, convicted last month of the manslaughter of his wife on the ground of diminished responsibility. The judge substituted an order under the Mental Health Act for Mr. Brazil's unlimited admission to St. Lawrence's Hospital, Bodmin, Cornwall.

This follows a decision last week by staff at the psychiatric hospital in Bodmin to allow Mr. Brazil to be admitted. Staff at three other hospitals had refused to have him.

The workers at Glenside mental hospital in Bristol threatened to strike when the judge first ordered Mr. Brazil to be sent there on October 3. The judge reluctantly revoked his original order on October 30, saying he had no alternative but to make the wholly inappropriate sentence of life imprisonment. He could revoke the order with the next 28 days, he added, if a suitable hospital was found.

He interrupted his High Court business at Liverpool yesterday to change the sentence again, after being told that the Bodmin hospital would take Mr. Brazil. He said: "I thank those who have looked after him. All those who have taken part in rendering his admission to hospital are to be commended for their humanity."

Nurses' choice: The Confederation of Health Service Employees decided yesterday that nurses should be able to choose whether they want to work with or near abnormal offenders in mental hospitals if they consider safety and security provisions are not adequate. The decision arises from Mr. Brazil's case.

The decision, by the union's national executive, is subject to the discretion of the local branch and will continue until it is satisfied "that the level of the treatment facilities does not expose nursing staff to unacceptable degrees of bodily danger."

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## HOME NEWS

# Assembly proposed by Tories would initiate legislation without Westminster's approval

From a Staff Reporter

Edinburgh

The Scottish Conservatives' devolution committee yesterday published its proposals for the scope of the Scottish assembly. The committee declared that all Scottish legislation should go to the assembly, with no discretion reserved to the Government to exclude particular Bills. A block grant should be allocated by the Secretary of State for Scotland.

The committee opposed the establishment of an executive or Scottish government drawn from the assembly. It said that any such separate government for Scotland without parallel structures for England and Wales would be the United Kingdom's death knell. It would create a huge imbalance between the relationship of Scotland to Westminster and that of England to Wales.

Running through the proposals is the objective of maintaining Britain's unity. Mr Michael Ancrum, vice-chairman of the party in Scotland and a member of the devolution committee, said there were few advantages and many dangers in an assembly cut off from Westminster.

The committee believed that after the Government had formally introduced purely Scottish Bills in Parliament they should be sent immediately to the assembly for second reading, committee stage and report stage. If a Scottish Bill was refused a second reading by the assembly the Government must amend or withdraw it. That would ensure the assembly's power to prevent

legislation that it believed to be against Scottish interests.

Once a Bill had passed through the assembly it would go to Parliament to allow MPs, in particular Scottish MPs, to debate its provisions and determine whether a third reading should be given.

A statement from the committee issued yesterday said the assembly should also be entitled to initiate its own legislation without approval of the British Government. Its passage would be identical with that of government legislation, with similar power of review reserved for Parliament.

The strength behind those proposals would be an assembly with authority to amend or reject Scottish legislation coming from Westminster and vice versa.

The committee feared that a fully autonomous assembly as proposed by Lord Kilbrandon would mean a single-chamber legislature, unique in the United Kingdom, with no means of reviewing or improving legislation.

"We have seen again and again how a second chamber can improve the quality of legislation and where both chambers are elected there can be no democratic objection," the statement said.

The committee also believed that a separate Scottish government drawn from the assembly would be excessively bureaucratic and costly to the British taxpayer.

The Government had committed itself to retaining the Secretary of State for Scotland

with certain executive responsibilities. Accordingly there would be two Scottish executives, the Secretary of State and the Scottish Government, each with their own civil servants and buildings, leading to duplication, extra expense and continual confusion.

Such a difficulty would not be ended by removing the Secretary of State's remaining executive powers. He would remain a political figure, or his office would be abolished and Scotland would lose the invaluable benefit of a permanent place in the British Cabinet.

The assembly should be able to summon Scottish ministers for the fullest scrutiny and interrogation. That would ensure a far greater control over the executive than was possible at Westminster at present.

On the financial side, the committee advocated a block grant from the Treasury, leaving it to the Secretary of State with the advice of the assembly to determine how it should be allocated.

Concluding the statement, the committee said it believed it essential that devolution should not split the people of Scotland into two bitter camps. "We believe our proposals will meet the genuine and legitimate aspirations of the majority of Scots and help to bridge the dangerous gulf that is becoming only too apparent both in Scotland and the United Kingdom as a whole."

The proposals are to be submitted to the Conservative Party leadership.

"Phoney war" forecast: The

Liberals' newly appointed parliamentary spokesman for devolution in the United Kingdom, Mr Russell Johnston, leader of the Scottish Liberal Party, said in Glasgow yesterday that he would be giving up his post as party spokesman on foreign affairs and he would not be returning to the European Parliament, at least not for two or three years.

He said he would be concentrating on what he saw as the most important issue to dominate domestic politics in Scotland and indeed throughout the United Kingdom for years. The Scottish Liberal Party, he declared, was in better heart than it had ever been, certainly since the early 1960s, and it would play a full and vigorous part in the campaign for devolution.

He said we were entering a period of the phoney war in politics. The Scottish National Party said the Government's delay in bringing out the devolution Bill was intolerable and that the Government must be defeated, but that did not accord with what their leader, Mr Donald Stewart, had said.

The SNP was internally divided about what it should do. But would the defeat of the Government bring devolution any nearer? The answer must be "No". It was quite clear that the country did not want another general election at this moment. This was not the time for looking at ways to defeat the Government, but what one should do was to try to weld together the devolutionists in all parties to ensure the best possible package in the shortest possible time.

## Regionalist world government is proclaimed at a stately home

### Wessex flies its flag

From Philip Howard

Longleat

Lord Weymouth hoisted the flag of Wessex UDI and regionalist world government over his stately, parapetted roof yesterday. The flag consists of a golden wyvern on a black background, and it had to be hauled down and rehoisted several times for the insatiable cameras.

Lord Weymouth was dressed in his colourful regional costume: earrings, wyvern necklace, leather studded jacket, hair in a pony tail tied with a crimson bow, and bare feet. He said to the world's press, or at any rate to four separate BBC radio and television crews present: "I want to present what is happening at Longleat today as something that is happening nationwide, worldwide, and world-wide."

He was accordingly supported by a panel of illustrious regionalists at their wits' end about the state of the world. They included the editor of *TV Times*, a retired solicitor from Shepton Mallet, and Mrs Mia Lord, secretary of the Association of World Federalists, an enthusiastic American who described herself as "BA, cum laude".

Lord Weymouth's regionalist manifesto for the world is of such intricate elaboration that it would need a special supplement to do it justice. It includes such millenarian aims as: the outlawry of national armies; an international language derived by computer from all known linguistic stocks; and a world government



Lord Weymouth: Elaborate aims.

collecting its annual world welfare tax, by armed force, if necessary.

Hereditary titles and inherited wealth will be abolished, and a limit will be placed on individual earnings for a year: £9,999 per annum is suggested as appropriate in the present state of inflation.

The world government, called the Assembly of Equals and consisting of about 500 regional ambassadors, will be based in Sinai. Berlin will become the capital of a Europe in which East and West are united. And, no doubt, eventually the wolf will dwell with the lamb, the leopard will lie down with the kid, and a little child shall lead them.

## Labour is up against the wall in Scotland

Continued from page 1

The fact that, according to government reports, the city has the worst record of urban decay and social deprivation in Britain is not helping Labour workers to rally support. "The nationalists have grown into a kind of solid alternative. People are asking questions that are hard to answer about the benefits of a United Kingdom party," another Labour member said. "They may be committed to Labour supporters, but some prefer the SNP line on such subjects as North Sea oil."

On the threshold of Glasgow, in the new town of Cumbernauld, there is a strong warning to Labour of how a fully organized nationalist campaign might overturn a safe Labour constituency. Since 1967 the nationalists have held a majority on the local district council and have now won both regional and parliamentary seats.

Mr Arthur Houston, former chairman of the Labour Party in Cumbernauld and for many years an active socialist, said: "We regrouped and regrouped every election at every level, but the Labour Party was defeated every time. It lost control and has now ceased to function effectively."

The SNP had also captured one of the blue ribbons of another new town on the fringe of Glasgow. It had won control in spite of the outstanding record of the Labour-controlled council. The identity kit of SNP voters substantially fits the bill in these two new towns."

Mr Houston said: "Average age 35, socially aspiring, wanting to become owner-occupiers, ambitious. When they shed their Glasgow environment they also shed support for the Labour Party. They want a new image."

That unfair falling of scales from socialist eyes had been accompanied by a collapse of the Tory vote to the advantage of the SNP, he added. "I am convinced that everything has been lost and that Scotland will become a self-governing nation. The Cumbernauld party warned the Scottish conference that unless the Government gave maximum priority to solving Scotland's economic problems, there would be an end of the matter. The Labour Party now has a record to be measured by Scotland. They have had ample opportunity to act, and they have lost that opportunity."

"The Labour Party is fighting with one hand behind its back, struggling against inherited difficulties and responding to events rather than directing them. Young people are neither impressed nor attracted to it; in Glasgow they see unemployment, low wages and social deprivation; all this and then you ask them 'Will you join us, will you vote Labour?'"

The SNP had proved that was clever, even though it misrepresented the facts. It was well organized and did not miss a trick. The Labour Party in Glasgow does not realize the onslaught that is coming its way at the next election."

The organizer for the party in Glasgow, Mr Douglas Haig, said some branches in Glasgow were functioning well, but membership was building encouragingly but others were limping along. He claimed the trend was improving, although the financial position was bleak at present, within a month the party would be solvent.

In the east end of Glasgow, Shettleston has long been a Labour seat and has produced some leading figures in the socialist movement. Sir M. Gormley has been its MP since 1959, and at the last local elections the party won the regional and district council seats with substantial majorities. But even in Shettleston party workers believe they will have a hard fight to preserve a majority. The national recession has not helped the Government's reputation, but, more significant in this grey suburb, it has made people look sternly at the service they receive from local government.

Interest in tenants' associations and community councils is growing along with the cost of living in council housing and the size of rate bills. The numbers attending public meetings are no longer measured in hundreds, and the tone is generally more protesting than political. The pressure is on the Labour Party, which admits that active supporters are too few and often too elderly.

The party also suffers a brisk turnover of members. People are rehoused from Shettleston and move from the district, while redevelopment of Shettleston's bad housing areas costs the party good members, workers' mates, headway, and agents. Mr David Marshall, secretary of the local Labour Party and a Strathclyde councillor, believes the days are gone when support for the party was automatic.

By the simple expedient of selling its headquarters, Shettleston Labour Party has moved out of debt for the first time for 10 years and all affiliation fees have been paid. Now there is the money to campaign, but only 20 fully committed regular campaigners among an electorate of more than 38,000. The number rises at general election time but recruiting has rarely balanced the drift away.

"Even so I am optimistic," Mr Marshall said. "We can only move ahead, and the nationalists here tend to annoy people with their motor cavalcades and a few leaflets which have nothing specific to Shettleston."

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| GERMANY<br>2 minutes 50 seconds | GREECE<br>2 minutes 12 seconds  | HONG KONG<br>57 seconds             | ISRAEL<br>57 seconds          |
| ITALY<br>2 minutes 50 seconds   | LUXEMBOURG<br>4 minutes         | MONACO<br>4 minutes                 | NETHERLANDS<br>4 minutes      |
| NEW ZEALAND<br>57 seconds       | NORWAY<br>2 minutes 50 seconds  | SINGAPORE<br>57 seconds             | SOUTH AFRICA<br>57 seconds    |
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## Yard officers to change jobs in promotion scheme

By Clive Borrell

Sir Robert Mark, Commissioner of Metropolitan Police, gave details yesterday of sweeping changes in the force's promotion structure.

Detectives in the rank of constable and sergeant in the 3,500-strong CID branch will be able to gain swifter promotion if they agree to return to uniform duty. If they refuse to leave plain-clothes duty they may face a long spell without promotion. Those who do make the change to uniform duty could be considered after 12 months for posting back to the detective branch.

Officers already in the uniform and traffic branches may also be transferred to the CID on promotion and they also may on request revert to their former branches after a year.

This new scheme comes after a three-and-a-half-years study by senior Scotland Yard officers and fulfils the avowed policy of Sir Robert when he was appointed commissioner in April, 1972.

Then he said: "I believe that better coordination of effort and better supervision would be achieved if the organ-

ization did not so sharply separate the work of the officers engaged in the maintenance of public order, criminal investigation, and traffic control."

The changes would help to stimulate public confidence in the force, Sir Robert said yesterday, although he accepted that a few "died-in-the-wool" detectives might not readily agree to the scheme.

A grave mistake was made in the Metropolitan Police in 1878 when the CID was made almost autonomous, Sir Robert added. "All sorts of disadvantages have resulted from this."

The new structure would mean that within the next 15 years all senior officers would have had detective training and experience, which would instil confidence in junior ranks.

The new scheme will be brought into effect on January 1 next year and it is expected that at least 200 men will be changing duties within the next 12 months.

Suggestions that the changes would interfere with the continuity of information to detectives were dismissed as "rubbish" by Sir Robert.

## Police complaint board is proposed

By Our Political Staff

A police complaint board is to be set up under the Police Bill, published yesterday by the Home Secretary. It would receive copies of reports on investigations into complaints under the Police Act, 1964, and would have the power, in certain circumstances, to require disciplinary charges to be preferred or to be heard by a disciplinary tribunal on which the board is represented.

The Bill would require a chief police officer to make sure that an investigation of a complaint was reported to the board, with an indication whether disciplinary charges had been preferred. Prosecutions are dealing with criminal proceedings.

Another Bill published yesterday, the Freshwater and Salmon Fisheries (Scotland) Bill, is designed to provide more sport for anglers.

The Fair Employment (Northern Ireland) Bill, published yesterday in the Lords, provides opportunity in work of people of different religions, and makes it unlawful for an employer to discriminate on grounds of religious belief or politics.

## Jet crash on car inquest opened

The investigation into the crash that killed a mother and five schoolgirls when a Hawker Siddeley 125 Executive jet aircraft crashed into a car at Dunstons near Guildford, Surrey, last Thursday, is expected to take six weeks, a coroner said yesterday.

The inquest at Guildford, was opened and adjourned after evidence of identification had been given. Lieutenant Colonel George McEwan, the coroner, said the six people in the car died from multiple injuries.

## Railway plan approved

The Peak District National Park's plan to buy an 11-mile stretch of the former Midland railway near Buxton, Derbyshire, for use as a walking, riding and cycling route, has been approved.

## Bravery award

Mr Geoffrey Preece, aged 19, of Wellesley Road, Gloucester, who received 50 stitches after saving a woman from being murdered, was given the Certificate of Bravery of the Carnegie Hero Fund yesterday.

## Balloon men return

Donald Cameron, aged 38, and Major Christopher Davey, aged 40, who established a new world record by spending 19 hours 56 minutes in a hot air balloon arrived back in London yesterday.

## Explosive find

A lance-corporal has been granted bail by the police after the discovery of plastic explosive in married quarters at Salamanca Park, Aldershot.

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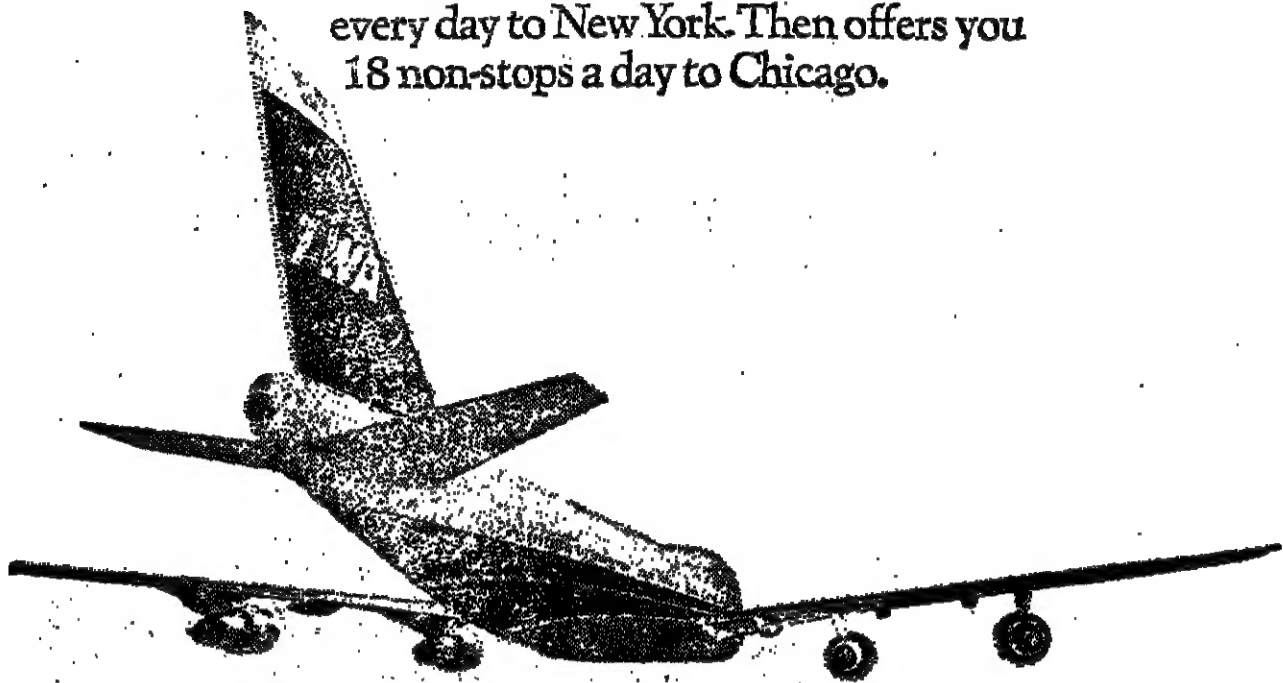
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## WEST EUROPE

### Lisbon awaits outcome of power struggle for control of Army region

From Michael Knipe  
Lisbon, Nov. 24

Lisbon industrial workers staged a two-hour strike today as Portugal waited the outcome of the struggle by military factions for the control of the Lisbon military region. The Revolutionary Council, the country's supreme legislative body, was meeting this evening to reconsider who should hold the key post.

The council decided on Friday that General Otelo Saraiva de Carvalho, the commander of Copcon, the internal security command, should relinquish his other position as commander of the Lisbon region to placate the moderate sixth Provisional Government, which is on strike because of the lack of military backing from the leftist general. Left-wing units in the region, however, made it clear they would not accept the authority of the officer named to the post. Captain Vasco Lourenço, a leading member of the group of nine moderates in the military leadership.

General de Carvalho claimed in an interview on Portuguese television last night to have vetoed the appointment of Captain Lourenço personally because he was identified too strongly with the moderate faction. He accused Admiral Pinheiro de Azevedo, the Prime Minister, and his Government of trying to blackmail President Costa Gomes.

With the Government continuing the strike action it began on Thursday, a group calling itself the Unitary Movement of Intellectual Workers in Defence of the Revolution has begun proceedings to sue the Government under the penal code for abandoning its public function.

The group said it considered the action of the ministers was undermining internal security and amounted to a crime of ministerial irresponsibility. Under the penal code of pre-revolutionary Portugal, the crime carried the penalty of the suspension of civil rights.

Lisbon, Nov. 24.—Bombs today destroyed a transmitting station of the national radio network and a ceramics factory controlled by pro-communists in the northern town of Chaves.

—UPI.

### Crippled American cruiser towed into Sicilian port

From Peter Nichols  
Rome, Nov. 24

The American missile cruiser Belknap, badly damaged in a collision with the aircraft carrier John F. Kennedy, was towed into the Sicilian port of Augusta early today.

American officers were still tightlipped about the accident on Saturday night, which cost at least four lives and more than 40 men injured.

Most of the superstructure of the Belknap was destroyed, partly by the impact with the carrier and partly by the fire which raged after the crash for some two and a half hours.

Survivors in a Naples hospital are reported to have said that the cruiser was steaming about 2,000 yards ahead of the aircraft carrier while night-flight practices were being conducted off the Sicilian coast in good weather and clear moonlight.

The cruiser, according to these reports, received the order to heave to. Once it was clear that the carrier was bearing down on it, desperate efforts were made to bring the cruiser off the carrier's course.

These accounts from survivors omit any reference to suggestions that the cruiser's steering had broken down.

American officers have also refused to comment on this possibility. They are faced with the "psychological difficulty", as an American official put it, that a collision between two ships with such sophisticated equipment is theoretically inconceivable.

Genoa, Nov. 24.—At least two and possibly four bodies are believed to be still trapped in the burnt out superstructure of the Belknap. Tonight the toll stood at four dead, four missing and 46 injured. But a spokesman for the American Sixth Fleet here said he expected to issue revised casualty figures later.

Just before the collision Belknap was stationed off the starboard side of the carrier ready to rescue any pilots or aircraft that might go over the side, American naval sources said.

Then the Belknap's course apparently became erratic and it veered to port across the carrier's bows. The Kennedy tried to avoid a collision by turning to starboard but its angled flight deck ripped into the superstructure of the Belknap, the sources added.—Reuter.

### Three-nation rule for Spanish Sahara

From Our Correspondent  
Madrid, Nov. 24

Spain, Morocco and Mauritania have gone ahead with their plans to set up a joint administration in the Spanish Sahara, according to newspaper reports published here today.

The territory will be administered by Mr. Ahmed Benoudia, representing King Hassan of Morocco, Mr. Abdallah Ould Cheikh, Labour Minister of Mauritania and Lieutenant General Gomez de Salazar, the present Governor of the Spanish colony.

The Moroccan and Mauritanian representatives will take up their posts as lieutenant-governors in El Aaiun, capital of the Spanish Sahara, on December 1 and will work with the Spanish governor until February 28, by which date Spain will have evacuated all its forces from the territory.

This caretaker administration was agreed upon in the Madrid pact worked out in the Spanish capital early this month. For the next few months, the three countries intend to work out the exact arrangements for the territory, assuring Spain a share in the vast profits of the Sahara phosphate mines after it withdraws.

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From Richard Wigg  
Paris, Nov. 24

Steven Millhauser, a New Yorker, aged 32, today carried off the French Médicis literary prize for foreign writers with his first novel, *The Life and Death of an American Writer*, 1943-54 by Jeffery Cartwright. It is published in France by Albin Michel.

This year's Femina prize went today to *Le Maître d'Heure*, by Claude Farrugi, published by Mercure de France. This publishing house this year won two of the year's prizes after last week's Goncourt award to Paul Pavlenchik (*Emile Ajar*) for *La Vie d'Emile Ajar*.

The Médicis prize this year for a French novel went to *Le Voyage à Nauratie* (Gallimard) by Jacques Almira, a pseudonym for a writer who is only 25.

The 11 women of the Femina jury, chaired by the Duchess of Rochefoucauld, preferred *Le Maître d'Heure* at the fourth round to *L'Indésirable*, a venture into novel writing by Régis

### Giscard pledge on international canal link

From Our Own Correspondent  
Paris, Nov. 24

President Giscard d'Estaing, speaking at Dijon today, gave a solemn promise that the final decision on the building of the international canal link between the Rhône and the Rhine, so frequently promised in the past but always postponed, would be taken by the Minister for Equipment before March 1.

Most of the 142-mile stretch would be completed during the eighth economic plan, ending in 1985.

The canal—which will link the Mediterranean and the North Sea by the shortest route, open up the industrial areas of the Rhône-Alpes and provide direct access to Germany, the Low Countries and central Europe—is one of the great geopolitical projects of the second half of the century, comparable in its social and economic repercussions to the Suez Canal or the Panama Canal.

"It is in the interest of Europe that this link should be established," the president said, "and it is in our national interest that it should be established on our territory."

He was addressing a meeting in the ancient Chamber of the Parliament of Burgundy of the inter-regional conference on the Rhine-Rhône axis.

Debray, better known as a left-wing political theoretician, who based the book on his experiences in the Bolivian jungle in 1967 with "Che" Guevara, the Argentine guerrilla hero.

This preference brought a public protest from Mme Benoitte Groult, a newcomer to the jury, who complained that the novel had been excluded because of its political overtones. "There are still women who do not dare speak their minds on politics," she complained.

M. Jean-Edern Hallier, the self-appointed chief opponent of the Goncourt Academy, chose today to award a counter-prize to a Paris bistro outside the Santé prison to Jack Thieuloy for his "underground" novel *La Geste de l'Employé*, to be published early next year.

The "anti-Goncourt 1976" prize is worth 50,000 francs. The winner, who has been detained in prison since October 31 on a charge relating to an attack on the home of the vice-president of the Goncourt jury. He has been refused bail.

## OVERSEAS

### Ford tribute may not stop Moynihan resignation

From Fred Emery  
Washington, Nov. 24

Mr. Daniel Moynihan, the American representative at the American Nations, today gained ringing encouragement from President Ford to continue speaking out "candidly and forcefully", but left the White House with his resignation still a possibility.

A speech last week by Mr. Moynihan, the British representative, attacking Mr. Moynihan's outspokenness with jibes about King Lear and Wyatt Earp, the western gun-slinger, clearly started the resignation affair.

Reports that Dr. Kissinger, the Secretary of State, and Mr. Callaghan, the British Foreign Secretary, colluded in setting up the attack have been indignantly denied both by Dr. Kissinger and Mr. Callaghan.

The source for this is no less than Dr. Kissinger, himself. The Secretary of State is quoted in the *Washington Post* as telephoning Mr. Moynihan on Friday to tell him his suspicion was "not only untrue but preposterously untrue."

He also assured Mr. Moynihan that it was absurd to think the United States would turn to a foreign government for help in ousting one of its own ambassadors.

Even so Dr. Kissinger has been less than hearty in support of his United Nations "ambassador". Some draft speeches were not approved by the State Department and President Ford's inability to echo his denunciations after the General Assembly's anti-Zionism vote may have further factors in making Mr. Moynihan conclude he was better off out of the Administration.

Before meeting the President today, he indicated to reporters that he would stay on until the end of the General Assembly session on December 16, and would have more to say after his talk. But he did not reappear.

Instead Mr. Ron Nessen, the presidential press secretary, at the end of the 40-minute meeting in the Oval Office (Dr. Kissinger was present for the last 10 minutes) spoke only of Mr. Ford's "strong support" for the "effective job" Mr. Moynihan was doing.

"The President wants it clearly understood that Ambassador Moynihan has his complete confidence", Mr. Ford's statement said.

From Mario Modiano  
Athens, Nov. 24

A letter signed by ex-King Constantine implying that he was trying to subvert the Greek Army in favour of a restoration of the monarchy has been proved to be a forgery.

The typed letter, addressed to a Mr. Kalykas, asked him to dispatch to the ex-King in London "lists of serving as well as retired officers of senior and junior ranks". It bore the ex-King's personal emblem, a capital letter K under a crown, and was dated London, October 1975. Those who know the ex-King's signature said it was genuine.

Photographic copies of this letter were said to have been circulated among Greek officers to indicate that the ex-King was still working to retrieve his throne in defiance of the two-to-one vote against the monarchy in last December's referendum.

Mr. George Kalykas, who was traced in Piraeus, identified himself as a Greek Navy lieutenant cashiered in 1967 for taking part in the ex-King's attempted counter-coup against the military junta. He told me that

the letter was a forgery and an "act of provocation".

He produced a letter from ex-King Constantine, dated May, 1975, thanking him for his good wishes for the Greek Orthodox Easter. It was clear that this original had been used to reproduce copies with the forged text superimposed on the genuine innocuous message. The date and the text of the forgery had been printed on a different type-writer.

Mr. Kalykas, a fervent royalist who is now with the Greek coastguard, said he did not know how his own original had been misused. He suspected that it was the work of persons who wanted to compromise King Constantine and suggest that he was involved in clandestine activities.

The Greek Opposition parties have recently protested against the formation of royalist groups, particularly the Royalist Union, an organisation led by retired General George Kourouklis, which has been active in setting up branch offices in provincial centres.

The Opposition has urged the Government to ban these organisations on the ground that they seek to overthrow the established constitutional regime.

### Priests held in Chile say they are well

From Florencia Varas  
Santiago, Nov. 24

Four priests who were arrested two weeks ago for hiding leaders of the Movement of the Revolutionary Left told me today they were being treated well in Los Capuchinos former convent, where I visited them.

"They try their best not to make us feel as if we were in jail", one said. "However, we feel uncertain about our future and we wish to know when we will gain our freedom."

The freedom of Father Parricio Carillo, Father Fernando Salas, Father Roberto Marotta and Father Gerald Wheelo depends on General Benavides, the Minister of the Interior, who will have to decide whether there are grounds to prosecute them. The priests maintain that their conduct was an act of compassion.

They share a bedroom, with four beds and a private bathroom. Visitors go to see them every day between 9 am and 11 am. For the rest of the day they give talks on religious matters to the other detainees, most of whom are former military men and civilians connected with the Air Force trials for alleged left-wing infiltration and the alleged theft of military secrets during the government of former President Allende.

The detention of the priests has been the source of the greatest tension between the Church and the state since the military Government took over.

### New Yorkers square up to the city's crisis

From Our Own Correspondent  
New York, Nov. 24

Thousands of New Yorkers poured into Times Square today in a gesture of support for the city in its financial difficulties. The day has been named "New Yorkers United Day" and is brought together construction workers, actors, printers and politicians.

Mr. Abraham Beame, the mayor, told the rally: "We are here to tell the world that this city is tough and determined, and will not give up under the economic pressures to which it is subjected."

He was surrounded by other politicians, and figures from Broadway.

### Letter from former Greek King was a forgery

From Mario Modiano  
Athens, Nov. 24

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The Opposition has urged the Government to ban these organisations on the ground that they seek to overthrow the established constitutional regime.

During the last week before independence The Netherlands managed to repulse a threatened invasion of more than 6,000 Surinamese heads of households of Javan origin.

The Javans, like other Surinamese citizens of Asian origin who formed 80 per cent of the influx during the past year, say that they fear repression and worse from the Creole-dominated government once independence is a fact.

The 130,000 Surinamese have been given a day off tomorrow, regardless of which nationality they choose, to celebrate independence. In the Bijlmermeer, an Amsterdam suburb where 30,000 Surinamese live, celebrations started during the weekend.

Torn between the luxury of West European social security and an incurable longing for their tropical but unstable homeland, a whole sea of sounds to a Caribbean heartbeat. The Dutch Government has announced a big repatriation campaign, starting next year. The Dutch are willing to finance the passage home and help those who are willing to go.

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OVERSEAS

# Peking determined to regain 'sacred' islands in S China Sea

From David Bonavia  
Peking, Nov 24

China today vigorously reasserted its claim to more than 200 islands and reefs in the South China Sea, some of them as far as 1,000 miles from its own mainland.

"Some islands have still not returned to the hands of the Chinese people," the Peking daily newspaper Kuang Ming stated. "All islands belonging to China must certainly return to the bosom of the motherland."

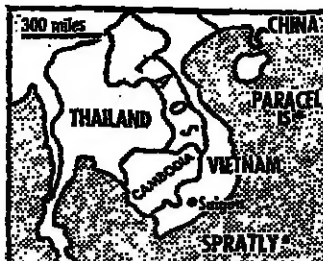
The main rival claimant for the islands in the Spratly (Hsisha) and Spratly (Nansha) groups in the South China Sea, although this fact was not mentioned in today's Chinese statement.

Last year, Chinese forces drove off troops of the former South Vietnamese Government, which tried to occupy the Spratly Islands, but this year it was reported that the new Saigon Government had taken over certain islands in the Spratly group, which had previously been occupied by the Thieu Government.

North Vietnam has indicated that it considers the matter negotiable, but presumably it will have to support the South's claims if reunification takes place next year. The Philippines, which garrisons some islands in the Spratly area, would also probably agree to negotiations.

But the Chinese position is definite: the islands are all Chinese territory and always will be. Taiwan, which also has maintained forces in the Spratly, supports Peking's position in sovereignty over the archipelagoes.

The fact that Peking has chosen this moment to reiterate its claim may be related to North and South Vietnam's growing closeness with the



Soviet Union. Today's article pointed out that the islands command the sea lanes between Singapore, Manila, Hongkong and Canton as well as the route from the Indian Ocean to the Pacific.

Peking would take a very serious view of any attempt by Moscow to exploit its friendship with the Vietnamese to establish naval or other facilities in the South China Sea. Besides, there is known to be oil in the area, although its commercial possibilities are still unclear.

The strength of Chinese feelings on the whole issue was indicated by today's statement, which concluded: "China is a socialist country and we have not occupied anyone else's territory. Nor will we permit anyone else to occupy our territory under any pretext."

"The archipelagoes of the South Sea are our sacred territory and we have a responsibility to defend them and build them up."

Although the Paracels are only thinly populated and the Spratlys apparently are uninhabited except by garrisons, China has set up a revolutionary committee on Yung Hsing Island in the Paracels to administer all the islands in question.

## Anxious US view of Brezhnev decline

From Our Own Correspondent  
Washington, Nov 24

Mr Leonid Brezhnev's physical capacities are seen to be reduced, and his bureaucratic influence declining, but he is still regarded here as the only Soviet leader who can break the deadlock in the United States-Soviet arms negotiations.

That anxious official view of the Soviet party chairman is becoming clear as President Ford begins his preparations for a difficult visit to Peking next Monday.

Policies towards the two main Communist powers are not seen as connected. However, there is no doubt that Dr Kissinger, the Secretary of State, believes it is urgent that the negotiations limiting nuclear missile delivery systems be concluded before Mr Brezhnev is compelled to retire.

It is feared that because of the stagnation in the strategic arms limitation talks (Salt), no concrete bargaining proposal has been tabled.

The Russians rejected the latest American proposal, and did not return with one of their own. The Americans do not feel they can keep on going back on the drawing board to satisfy the Russians. Thus there is a waiting game, and it is hinted that Mr Brezhnev is the only hope.

There are difficulties concerning two weapons systems not included in the Vladivostok "ceasefire" agreement, reached a year ago by President Ford and Mr Brezhnev. They are the so-called "Cruise" missile, which is essentially a modernized doodlebug, and the Soviet "Backfire" bomber, codenamed "Black-Bird".

## Peking writers may be Nobel candidates

From Our Correspondent  
Hongkong, Nov 24

Reports that West European intellectuals, led by a French group, may recommend two authors living in Peking for a Nobel Prize next year have been confirmed by authoritative sources in Hongkong and Taiwan.

The authors are Mao Tun, aged 79, and Pa Chin, aged 71, who have been writing cultural books, largely non-ideological, since the 1930s. Some passages in Pa Chin's old masterpiece, *The Family*, could indeed now be vulnerable to extreme left criticism as "deviationist" and even "Confucian" in certain chapters.

Neither writer, although officially held in esteem in Peking, plays any role in party affairs. Both live in quiet retirement.

The reaction of Chinese Nationalists here leaves little doubt, however, that the Nobel proposal would embarrass Peking as Moscow has recently been embarrassed.

## Reprieve for four Army mules

Hongkong, Nov 24.—Four British Army mules, threatened with death because of defence cuts, will instead be sent to the local Jockey Club to provide rides for handicapped children.

## Hanoi to be beautified as capital of unified Vietnam

Bangkok, Nov 24.—Hanoi has been chosen as the capital of a reunited Vietnam, Hanoi radio said today. Three hundred city officials met yesterday and decided to launch a campaign of reconstruction "to make the capital of socialist Vietnam more and more beautiful" before reunification, the broadcast said.

Hanoi is the traditional Vietnamese capital.

Other broadcasts have indicated that North and South Vietnam will become one nation again within a year, although the exact timetable has not been decided. Delegates from the North and South ended on Friday an eight-day conference in Saigon about reunification, agreeing to hold nationwide elections for a parliament in the first half of 1976.

This national conference will decide the method and time of reunification, the conference agreed.—UPI.

## Turkish leader ends state visit to Pakistan

From Our Correspondent  
Rawalpindi, Nov 24

President Korkmaz of Turkey flew back to Ankara today after ending his six-day state visit to Pakistan. As a result of his talks with Mr Zulfikar Ali Bhutto, the Pakistani Prime Minister, a joint ministerial commission was set up for wider economic and technical cooperation between the two countries.

A joint communiqué emphasized steady progress between Pakistan and Turkey under the Central Treaty Organization (CENTO) and Regional Cooperation for Development.

The two sides decided to conclude agreements on extradition and on legal mutual assistance in penal and civil matters. Turkey reaffirmed support to Pakistan on the Kashmir dispute with India, and Pakistan pledged continued support to Turkey's position on the Cyprus issue.

## 25 feared dead in Colombia

Bogota, Nov 24.—At least 25 people were reported missing, feared dead, today in floods on Colombia's Caribbean coast after weeks of heavy rain.

Senor Francisco Canas, mayor of the small town of El Pinon said it had been almost submerged by floodwaters from the river Magdalena. Two thousand people had lost their homes.—Reuters.

## Five protesters arrested during Gandhi speech

Delhi, Nov 24.—Mrs Gandhi, the Indian Prime Minister, was the target of a hostile demonstration today for the first time since she imposed a state of national emergency five months ago.

She was starting a speech attacking the press to 15,000 specially invited schoolteachers in a public park when a man in a well-tailored suit jumped to his feet about 500 yards from her and began shouting anti-Gandhi slogans and waving his arms.

Security men and police moved in to arrest him but as they did, four other people throughout the crowd began shouting slogans. All five were bundled away by police. The demonstration lasted only about five minutes and Mrs Gandhi did not stop speaking.

Later in her speech, she used the incident to criticize the press, which she has muzzled with strict censorship under an

emergency decree imposed on June 25. She said the press will say there was a disturbance. This is their idea of the truth.

Mrs Gandhi's speech, which dealt with improving educational standards, was interrupted only briefly by polite applause. It was only her second appearance before a mass gathering in the Delhi area since she imposed the emergency. The police were out in force. Reporters estimated their number at about 1,000. Some were armed with rifles and some with 36-long truncheons. Others in plain clothes carried pistols bulging through their hip pockets.

The Opposition has said it will organize demonstrations in 300 cities throughout the country. The organizers said they were demanding an end to the emergency and the release of thousands of jailed political leaders and workers.—UPI.

## Chief Minister accused of corruption

Kuala Lumpur, Nov 24.—Datuk Harun Idris, Chief Minister of Malaysia's most populous state, was charged at a criminal court here today with corruption and misappropriation of political funds.

The National Bureau of Investigation filed 16 charges accusing him of corruption and misuse of the funds of the ruling United Malays National Organisation. He was released on bail of 100,000 ringgit (\$20,000).

Datuk Harun, who is 50, is a powerful political figure in Malaysian politics, heading the youth wing of the national party. He said yesterday, after five hours of questioning by government investigators, that Opposition members in Parliament had accused him of corruptly amassing 60m ringgit (\$12m).—Reuters.

## Bronze Age bones found

Berlin, Nov 24.—East German workmen digging a trench here have found an earthenware urn containing cremated human bones, estimated to be about 3,000 years old.

The urn, some 12in in diameter at its broadest point and 11in tall, contained the cremated bones of a woman aged between 35 and 40, plus a little bowl, presumably for food. It is thought to belong to the late Bronze Age (750-1,300 BC).—Reuters.

# Fashion

by Prudence Glynn



● Designs from the spring collections of five top English houses which incorporate I.C.I. Fibres synthetic yarns.

● Left: A striped evening dress with a bra top by John Bates for Jean Varon. Woven, Crimplene print by Bernasconi of Italy.

● Above: Woven Terylene and wool worsted crepe by Bergia Kriener of France used for a supple two piece by Jean and Martin Pallant.

● Bottom left: Spun Terylene printed jersey by Fatrika Fabrik of Sweden used for an evening dress by Yuki.

● Bottom centre: Woven Terylene and cotton stripes by Christopher Johnson of the UK used by Wendy Dagworthy.

● Bottom right: Pretty peasant skirt and top by Gordon Clarke in Crimplene interlock printed jersey by Beeren of Holland.

● Photographs by Mike Berkofsky.



## Some positive thinking

Since I sometimes feel that self-denigration is one of the few major talents left to this country and there are many moments when I ponder whether our embarrassment at discovering that we are really very good at making fashion will not bring on a crisis de nerfs at official levels one day, how refreshing to meet someone who has consistently bought, encouraged and loved British fashion for its finest qualities.

I hardly need to add that he is not British, he is American. Nor is he without criticisms of us, which is as it should be with anyone who cares for the survival of our textile industry, not as a charming old-world relic, all tweeds and incomprehensible, shored up with well-tinted but misjudged public funds but as the dynamic machine it could, and should, be. Ralph Lauren, whose slight form and gentle voice are the outward and visible signs of a designer who has made his own way and is now a solid feature of the American fashion market.

"I am my own competition," he says. What he has built his reputation upon is the sort of classic quality products for which Britain used to be famous and which, provided a designer will take the time and effort to come over here and persuade manufacturers into making what the market wants and not just what they have been making for years, can still be found here and nowhere else.

Ralph Lauren does a collection for women named after himself "Women like to identify with an individual designer" (with the collapse of a central fashion authority many women find placing the burden of their mistakes or successes in the arms of one man easier than piecing together the unknown). His menswear range is called Polo "because men like to identify with a concept, in my case a sporty, authentic one, rather than with one designer's name. They find something a little feminine I think about the designer name idea, but the right image is essential."

Authenticity is a much-used word in Mr Lauren's vocabulary. His jackets really are straight hunting jackets, his tailormade for women make few concessions to passing

trends. They are superbly cut, from magnificent (often English) materials, they fit, and for the young woman who likes that style they present an easy, reliable, elegant look which lasts. At between \$200 and \$300 for a suit (either sex) one might well expect them to, yet one sad point the anglophile Mr Lauren brought up was that so far as he can see there is no market for such quality in England itself. "Every time I walk down Bond Street and see a smart new shop it's foreign" which only goes to bear out my theory that the consumer in this country has been very badly educated in fashion; we have consistently screwed down our manufacturers to a price which is not realistic and have lost our quality on the way, and now that the public is more discerning we are importing loads of well cut clothes in decent fabrics and moaning at the decline in our own industry.

What I wanted very much to know about though was the attitude and that of the manufacturers to an innovative and enthusiastic buyer, which Mr Lauren is. He is also, as I have said, a fan of what England can make, even if his view of the English look is as delightfully partisan as is that of the Italians when they get going on la moda inglese. I hate to disillusion anybody, but all men are not peers, or the Duke of Windsor, in this country, but still it is a delight to see designers in other countries doing collections which suggest that they are, and Mr Lauren did say that all over the world he reckons that the best dressed men dress from England.

So first, the pros: English manufacturers are straight, honourable (like me, Mr Lauren believes that the products of a country closely reflect the national character, which is why I always like to see industries on their home ground), if they say something is exclusive, it will be, they deliver promptly and they deliver what you ordered. "Their integrity is shown in their clothes." The cons are, alas, only too familiar. Lack of flexibility, reluctance to change what they are doing even when business is terrible, a negative attitude to opportunity which does not care if the order goes to another country.

How often have I heard these complaints. I begin to wonder if the death wish has not gripped a clammy hand on a

whole section of the industry. For every harness maker who can be persuaded to make women's belts instead and find himself a nice new direction, how many little offices are stuffed with traditional Fair Isle, Shetland, cashmere knitwear which is unsalable because it simply is not the right shape for now?

We have an ingrained suspicion of fashion as something wicked, just as we seem to believe that if people are deprived enough to want to go out and enjoy themselves at the theatre or whatever, they should be made to pay for it with every possible discomfort—terrible lavatories, inept cloakrooms, inadequate refreshment, food arrangements, and all served with the maximum incivility to make sure they do not forget they should not be out enjoying themselves anyway.

Indeed a perfect illustration of this attitude, a combination of enough to want to go out and enjoy themselves at the theatre or whatever, they should be made to pay for it with every possible discomfort—terrible lavatories, inept cloakrooms, inadequate refreshment, food arrangements, and all served with the maximum incivility to make sure they do not forget they should not be out enjoying themselves anyway.

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though the frightful spectre of style is too silly to be included in serious talk. So what I should like to know is, just what is fashion, and what are textiles, if they are not style? In many industries, especially as the world becomes more advanced and black towards products, design is an important, nay essential, aspect of a competitive and successful item. In anything connected with fashion it is the crucial factor.

So all praise to Edward Rayne, Royal shoemaker, for standing up and telling a conference of a section of the industry which I regard as leaders in backwardness of design that they are "in the fashion business". How right to point out that whereas the grateful public once snapped up anything which covered the feet, and expected to walk in them, he now doubted that "being able to walk in shoes was a paramount consideration in prompting a member of the public to buy them". Why complain that one in three pairs of shoes sold here are imported and yet set your face against our own designers? Abroad these get the salary and respect they deserve, not here. Yet

consider their importance: what are platform shoes but an illustration of the crisis of identity, which confronts many women in today's changing society and which no number of equal opportunities boards will resolve (incidentally, the board ought to have a look at fashionable footwear. It would tell them a lot about how women feel). When is the British Shoe Corporation going to launch a young designers range to give a chance to the BBSI and the RSA Bursary winners to see their shoes on feet? And when is Manolo Blahnik or Terry de Havilland or the Chelsea cobbler going to get proper recognition? All the best shoes I saw in Europe and the Middle East were knocked off from our indomitable feet.

All my readers seem to be knitting mad, to judge by the response to our cape pattern and now the inquiries about Patricia Roberts's pattern book which I mentioned last week. This, to amplify information for those who have not been able to find it on every bookshelf, is *Knitting*, published by Queen Anne Press, 12 Vandy Street, London, ECL. Telephone: 01-247 1522.

## Erica Wilson's Embroidery Book

The hundreds of intricate stitches which make up the traditional embroideries and exciting modern designs are all based on seven simple stitches. In this beautiful *Embroidery Book* Erica Wilson, the well-known designer and teacher, gives admirably clear directions, with stitch diagrams, on crewel, needlepoint, silk and gold thread work, black work, white work, stump work and applique.

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## ANNOUNCING THE END OF THE DINNER PARTY.



Croft Distinction Port wine aged ten years in the wood.

هكذا من الاجل



House of Commons

## Fishing dispute: more RAF flights planned

When it was agreed we should meet the industry again (he added)

MR. CHAIRMAN: I am assuming that the House of Commons will be asked to pass a resolution in the written reply, said: There were 719,145 civil servants in posts on 1 January 1974, of whom 102,000 were non-industrial staff and 178,975 were industrial staff. The figures for 1973 were 707,000 in 1974 and 1973 were 587,182 and 695,002 respectively.

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- MR WILLIAM HAMILTON  
(Central File, Lab) asked the

ne bill to cover Scotland and Wales.

MR ADLEY (Christchurch and Lynton) asked the Secretary hard-headed test of potential profitability he applied to the Chrysler report was credible or even intelligible, it predicted that British their decision about Chrysler they publish the CPSR memo.

MR FREUD, Liberal spokesman on education (Isle of Ely, L), said that Liberals 'supported steady

MR. MULLEY, Secretary of State for Education and Science (Sheffield, 1934-1935), was the first to make the point that the Government should not be too hasty in making a decision on the subject of secondary education and there should be a moratorium until these and other questions were capable of being discussed in a more considered manner.

part of some notion of imposing quality from the top, the Government were taking a first step along the road which could easily lead to the bussing of pupils in Britain.

MR FREUD, Liberal spokesman on education (first of Ely, 1), said that Liberals supported steady

years left the educational system was being rapidly expanded. The present desire to put a brake on that expansion was creating all kinds of problems in the system.

An enormous amount of educational capital was locked up in terms of highly skilled individuals who had been trained at public

**Welsh agency**

MR JOHN MORRIS, Secretary of State for Wales, said the prop to lay before the House an annual statement in 1971.

He appointed day on which the Welsh Development Agency will be operational.

**Parliamentary notices**

**House of Commons**  
Today, at 3.30: Debate on the Queen's Speech.

**House of Lords**  
Today, at 3.30: Debate on the Queen's Speech.

**MR McCrindle** (Brent)

to say leave the House an  
naming January 1, 1976, as  
appointed day on which the V  
Development Agency will be  
operational.

currently estimate that the legislation already enacted by

Development Agency will be operational.

Development Agency will be operational.

11

















# Who says there's no such thing as a vintage year for gin?

In mid-eighteenth century England the landed gentry was veritably overflowing with gin connoisseurs.

They afforded their favourite tippie much the same ritual that is reserved for rare old wines.

And anything less than excellent didn't even get a sniff.

(After all, you couldn't pull a poor gin out of the fire with tonic water in those days.)

The competition created between the distillers produced enough great gins to float the British Navy.

Even so, one man still wasn't impressed.

The Sheriff of London, Sir Robert Burnett.

He embarked on finding a recipe that would give him the best London Gin in the realm.

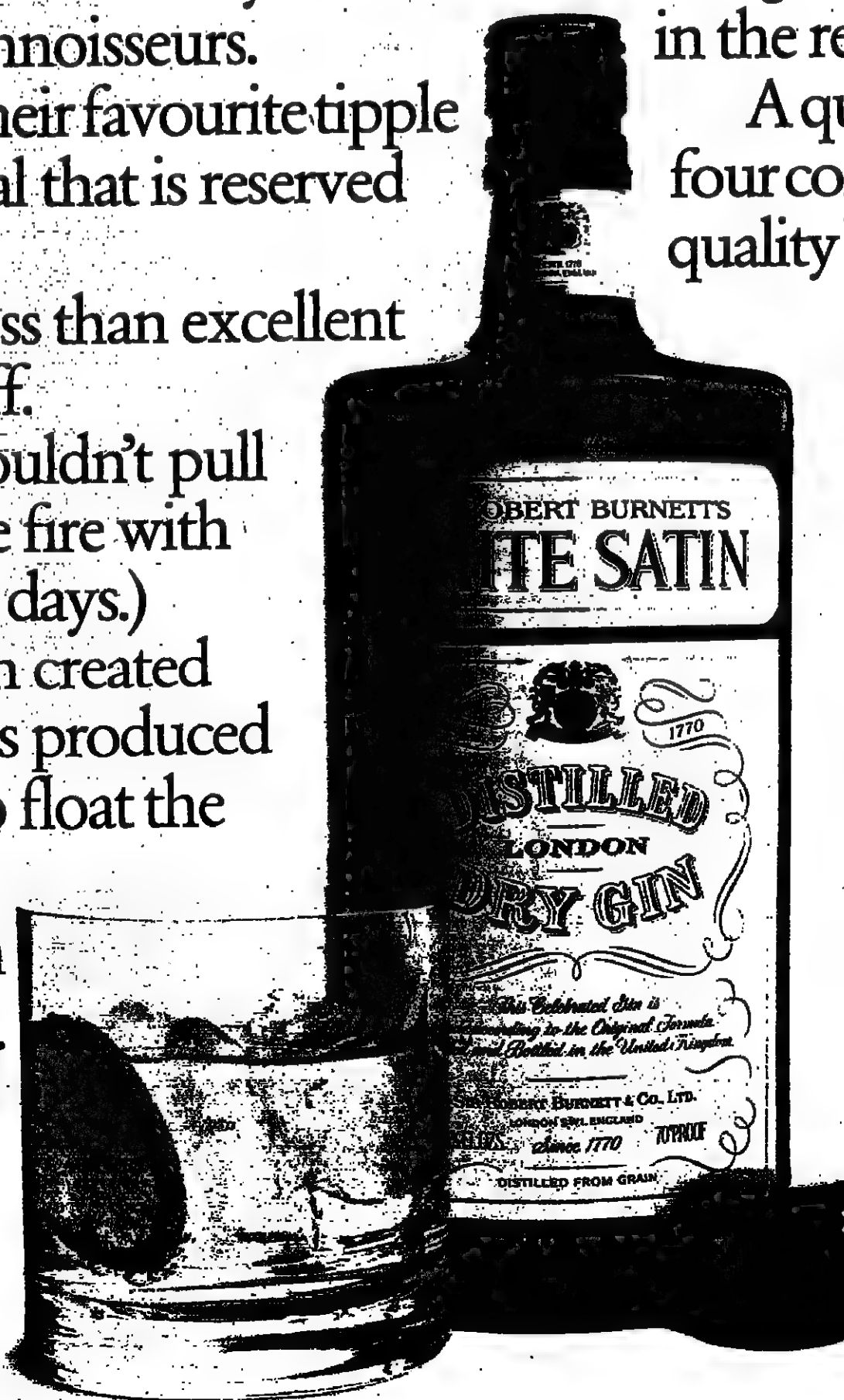
A quest that sent him scouring the four corners of the globe for the finest quality berries, herbs, grain and spices.

You can still judge the measure of his success to this very day.

With a tot of Burnett's White Satin Gin.

In fact, we've stuck to his original recipe since the day he launched his celebrated gin in 1770.

If you taste it, we think you'll agree. That really was a very good year for gin.



Still made to the original recipe.









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## LICENSED TO KILL

Throughout its history the United States has been a force for good in the world. It has shown itself capable of the highest idealism and the lowest barbarism. The CIA displays both elements in a mixture that is uniquely American. On the one hand it presents an extremely disturbing picture of criminal, immoral and inefficient behaviour by agents and institutions of the United States Government. On the other hand it shows another branch of the same government exposing the same vices, albeit very late in the day, and rendering it much less likely to be repeated in the future. Friends of America can only hope that the benefits deriving from this demonstration of the system's ability to correct its own abuses will outweigh the damage done by the revelation of the abuses themselves.

There is no doubt that the revelations are damaging. The squalid and often laughable antics of some of the crackpots and gangsters who were drawn into the service of American foreign policy (a saddening picture in itself) should not obscure the serious implications of the evidence that earlier American administrations thought they were justified in trying to engineer the assassination of foreign politicians. Counsel for the defence would presumably say that the United States was engaged in a struggle equivalent to that with a ruthless communist power which would use any methods in pursuit of world domination. In such a struggle it would be naive and unrealistic

to be too scrupulous about methods. Nice guys finish last, as the Americans say. What are the lives of a few unimportant and often fairly villainous foreign leaders in comparison to the free world's interest in preserving American influence around the world?

Counsel for the prosecution could reply roughly as follows. It is true that the deaths of Lumumba and Trujillo evoke few tears and were probably broadly in the American interest. But the death of President Ngo Dinh Diem of South Vietnam solved nothing. If Dr Castro had been assassinated it is far from certain that the United States would have been better off, and the threat which he was thought to pose has since proved much milder than was expected. Because the Russians did something to restrain his attempts to promote revolution in Latin America. As for the death of Dr Allende, which he himself did much to bring about, it has produced a situation which could yet rebound against the United States and has already done its reputation some damage.

In other words, even on the coolest calculation of national interest, and leaving morals aside, assassination is an imprudent weapon which is liable to have unpredictable results, such as the martyrdom of the victim or his replacement by somebody worse. Granting that extreme situations can sometimes demand extreme actions, and that the most serious conflict with political needs is highly doubtful whether this particular branch of CIA activity would have been of significant benefit to the United States even if it had been

more efficient and had not been brought to light.

A more substantial argument is that by using such methods the United States damaged and diminished itself at home and abroad. International as well as domestic politics must be subject to some legal and moral order if they are not to degenerate into anarchy. Once a government starts using the methods of the gangster its entire mentality is liable to be corrupted. The Watergate affair was a symptom of corruption deriving from the belief that any methods were justified in what was assumed to be the defence of the American presidency. The activities of the CIA were the result of a belief that any methods were justified in the defence of what was assumed to be American interests abroad. They went longer uncorrected because the checks and balances of the American system are less effective in foreign policy than in domestic affairs.

But American interests do not depend only on nuclear weapons and friendly governments or client states. They depend also on the ability of the United States to convince people that it represents certain values and principles and ways of life that are worth defending. If it uses the same methods as the KGB it will come to be regarded in the same light. Obviously it cannot always appear as a knight in shining armour, and moral posturing in the wrong context can sometimes be as damaging as immorality, but if American power is to survive in the world Americans must think as much of what they are defending as of the means of defence.

## DIPLOMACY BEFORE FRIGATES

The Government are naturally and properly reluctant to send the Navy to protect British travellers fishing off Iceland. There could be no objection in principle to their doing so, Iceland has extended her fishery limits to 200 miles without any authority in international law. Icelandic patrol boats have been molesting British trawlers fishing in their traditional grounds where they have every right to be. But this is not a dispute that ought to lead to a shooting war if it can possibly be avoided.

It is widely expected that the next United Nations Law of the Sea Conference in March will endorse a general limit of 200 miles for economic purposes including fishing. This would not mean simply that the restrictions Iceland is now seeking to impose illegally would gain the sanction of international

law. Britain's bargaining position would also be strengthened because there would be a similar exclusive zone off British shores. That would impinge on Icelandic herring fishing, so that there would be a new and quite different pressure on Iceland to reach a negotiated settlement. A new armed conflict in the meantime, when the content of the dispute may well be changed, would be a disaster for both sides. It should also be unnecessary. The difference between the two sides is not really so great as it might seem. Under the agreement that expired on November 13 British trawlers were like 130,000 tons a year in Icelandic waters. It is accepted on both sides that there must be some cut in that figure for reasons of conservation. Britain has proposed a new figure of 110,000 tons; Iceland wants it

down to 65,000. But as the British suggestion is not a final offer the difference might more realistically be assumed to be in the order of 25,000 tons.

That is not an insignificant figure when the livelihood of men is at stake, but it does suggest that there is scope for compromise. The Government are right, therefore, to seek further negotiation before sending in the Navy. It is certainly worth making a further attempt to achieve a settlement that would be in everybody's interest. Iceland's trade agreement with the EEC has not been implemented because of her dispute with Germany, but assuming that is settled, the agreement will still be blocked if Iceland remains in dispute with Britain. But if this further negotiating effort fails, then the Government will have no alternative but to send in the Navy.

## ARCHAEOLOGICAL LOOT

The looting of Britain's historical and archaeological sites by treasure hunters has of late increased, is still increasing, and must be rapidly diminished if a part of the nation's cultural heritage is not to be destroyed. The looting is a by-product of two factors harmless in themselves, the greatly increased public interest in archaeology fostered by popular books, television and the press, and the availability of cheap metal-detecting devices. Such devices are now being widely used to search for ancient coins and metal implements and ornaments, and archaeological sites seem to the seekers obvious places in which to pursue their deprivations, encouraged secretly or openly by the purveyors of detecting equipment and dealers in antiquities. The Prime Minister's recent acceptance of honorary membership of one of the treasure hunting clubs has even conferred upon the practice a spurious respectability.

The Prime Minister is doubtless unaware, as are the majority of the public and a fair proportion of those who pursue this activity, just what it may mean: the prehistoric fortress pitted with small craters where finds have been extracted, the scientific excavation raided and wrecked, the significant dis-

covery that has to be concealed to avoid looting. Metal detectors detect only metal, and finds such as coins not only lose most of their historic value when dragged from their context, but rob that context of archaeological evidence of the dating, trade connections or political situation which may be vital to its interpretation. Looted material is rarely published or even catalogued, and much of it disappears into the market, bereft of all but numismatic or technical interest.

Britain's archaeological sites are already being destroyed at an appalling rate, and by the end of this century few will be left that have not been taken into the guardianship of government. To have even those deprived of their potential for contributing to our unwritten history is intolerable. Looters already commit a range of offences from trespass and theft to the concealment of treasure trove and the damaging of scheduled ancient monuments, but prosecution for any of these offences is so rare that the antiquities legislation has become a dead letter. Perhaps if treasure hunting were swiftly curbed on scheduled sites, and a dozen instances of violation spring to mind, private landowners would feel that their efforts stood more chance of success.

There is need, however, for better antiquities laws as well as better enforcement. The law on treasure trove is obsolete and irrelevant to the archaeological importance of such objects; whether or not the owner had any intention of recovering his goods is no basis for determining whether such a crucial find as the recent hoard of early Christian plate from Water Newton should be left with its finder or seized to the Crown. The Government should learn from the example of some of its former colonies, which have legislation extending a state protection to any class of archaeological site or material: treasure trove should be replaced by a statute governing not only precious metals but all associated material in their archaeological context capable of extension to other categories of evidence; and the destruction of archaeological sites, at present allowed after due notice unless positive protective action is taken, should be prohibited without specific permission given only after the site's local and national importance has been considered. Both of these steps could be taken in a short time. If some such action is not taken soon the Sibylline books of our country's past will have been burnt unread.

And, as a first use of these powers, "schools are being told that they may not use reading books with mummy in the kitchen and daddy in the garden shed". Now book-burning is book-burning, whether practised by the Nazis in the thirties or the Soviets in the seventies, and the fact that this particular school can be initiated by people like Roy Jenkins and Lady Howe only goes to show how insidious a process the erosion of liberty can be.

Moreover, it is inconceivable true that in the great majority of those households which possess both a kitchen and a garden shed, it is mummy who will normally be found in the former and daddy in the latter. To employ the machinery of state to deny the truth is a concept we nowadays term Orwellian. Yet not even that clairvoyant man perceived that in 1984 it would be Big Sister who would be watching.

Yours faithfully,  
ALAN BRADLEY,  
710 Collingwood House,  
Dolphin Square, SW1.  
November 20.

## Sex Discrimination Act

From Mr Alan Bradley  
Sir, Ronald Butt (November 20) Sir, briefly touched on the most worrying aspect of your report on the Sex Discrimination Act, which was the fact that it appeared. The Equal Opportunities Commission, we gather, has "powers to investigate what is taught in schools and make enforceable rulings on them, a power that even the Department of Education does not

## The dismissal of Mr Whitlam

From Professor D. P. O'Connell and Mr J. M. Finniss

Sir, Professor Howard (November 18) argues that the Governor-General of Australia's action in dissolving Parliament for an immediate general election (18 months after the last) has "taken the matter out of our hands." Whose hands? He says it was improper because it "offended against just about every canon of parliamentary government."

1. Sir John Kerr dismissed the Prime Minister "without giving him the slightest inkling of what was proposed." Sir John's letter of dismissal (not reported in this country) makes clear that Mr Whitlam himself, speaking publicly soon after the event, did not make any such allegation. The Governor-General's letter reads: "You have previously told me that you would never resign or advise an election of the House of Representatives or a double dissolution; and that the only way in which such an election could be obtained would be by my dismissal of you and your ministerial colleagues. As it appeared likely that you would today resign in this article I decided that, if you did, I would determine your commission and state my reasons for doing so. You have persisted in your attitude and I have accordingly acted as indicated."

2. "He acted without consulting his own law officers." Sir John has publicly stated that he consulted the Attorney-General, and your own reports (November 19) indicate that he received, several days before the dismissal, an opinion from both his law officers on many, perhaps all, of the issues involved in that action. The effective head of state in a parliamentary system is indeed bound to consult his law officers at all stages of a constitutional crisis up to the time when he decides that he is constitutionally required to reject that advice. (We do not know what they advised in this case.) But equally he must be entitled to seek other opinion on the question of whether the law officers' advice is to be rejected or not. In the past, the Governor-General of Australia has been advised by his Prime Minister that he is entitled to exercise his own judgment as to certain matters connected with dissolution of Parliament. That opinion must certainly be correct when the effective head of state could reasonably form the view that his ministers were embarked on a course of grossly unconstitutional conduct. On July 11, 1975, Professor Howard wrote to Sir John: "I am sorry to say that if a government sought to bypass parliamentary control over supply in order to avoid a forced election, it would strike a blow at our system of government the seriousness of which it is difficult to overstate."

The Governor-General was advised by the Chief Justice on this point as follows: "First, the Senate has constitutional power to refuse to pass a money Bill; it has power to refuse supply to the Government of the day. Ministers of the Crown, including funds for carrying on the ordinary services of government, must either advise a general election (of a kind which the constitutional situation may not allow) or resign. It is possible to secure supply, he refuses to take either course. Your Excellency has constitutional authority to withdraw his commission as Prime Minister."

## Israel and the UN

From Dr Jamal Nasir

Sir, Many of your unbiased readers may well be disappointed at the repetition in Mr Abba Eban's article, in your issue of November 17, of our own step and out of date with many developments that have taken place. There is not one single constructive argument in the said article that contributes to the solution of a "continuing living problem" which originated in 1948. As Mr Abba Eban well knows and led to the unparalleled injustice that forced the lawful Arab inhabitants to leave their homes and to experience as refugees the sad fate of the displaced, stateless, workless and landless.

Mr Eban attacks the United Nations as being "not an instrument for solving conflicts but an arena for waging them."

His definition of the United Nations as being "not an instrument for solving conflicts but an arena for waging them" is a gross distortion of the facts. Israel had abided with few of the decisions of the UN since 1948 there would have been no need for any discussions or arguments. Indeed the UN is not after "Israel's blood"

3. The Governor-General acted "after secret consultation with the Chief Justice . . . who may well have to adjudicate at some future time on the validity of his action."

But Professor Howard could not say that the Governor-General's consultation extended to any matter as to which any serious and justifiable question could be raised by the High Court. In fact the Chief Justice prefaced his advice to the Governor-General with the opinion that the situation of the "severe" was unlikely to come before the Court.

4. "He purported to dissolve . . . Parliament without any demonstration that he possessed constitutional power . . . to do so. The existence of that power is highly questionable." But, as a member of the team of the Labour Government at the time of the 1974 double dissolution, Professor Howard knows that, at that time, there were in the High Court expressions of judicial disapproval of any attempt by a Governor-General to proclaim a double dissolution, to recite any such "demonstration". As to the existence of the power in this case, Mr Whitlam himself did not question it, and the day before Professor Howard wrote, admitted: "A double dissolution was possible this week . . . because of the 21 other Bills already twice rejected by the Senate." The proclamation of dissolution recites these Bills.

5. Professor Howard thinks that, once the Senate had voted supply and the House had passed the Budget, and expressed no confidence in the new Ministry, Mr Whitlam should have been reinstated. But, since the Senate, in voting supply *mem con*, unquestionably acted on its knowledge of the Government's intention to dissolve the House, the reinstatement of a Prime Minister adamantly opposed to such a dissolution would have been an unconscionable fraud on the Senate and a gross abuse of power. Notoriously the new Ministry lacked the support of one elected House; equally notoriously, the former Ministry was unable to continue governing constitutionally, for want of sufficient support in the other elected House.

A constitutional lawyer ought to grant that the issues involved in this crisis have nothing at all to do with independence or colonialism, or hereditary monarchy, but everything to do with the rational exercise of a parliamentary system, which requires an effective head of state with the responsibility of acting in the way that Sir John Kerr as acted, in the most unusual sort of circumstances here involved. Mr Whitlam said in the lower House on June 12, 1970, "Any government which is defeated by the Parliament on a major taxation Bill should resign. . . . This Bill will be defeated in another place (the Senate). The Government should then resign. Such was a basic principle of the Governor-General's action. And the objective of that action was simply to enable the authentic sense of the community to be determined."

Yours, etc.  
D. P. O'CONNELL, Chichele Professor of Public International Law,  
All Souls College,  
J. M. FINNISS, Rhodes Reader in the Law of the Commonwealth and the United States,  
University of Oxford,  
November 21.

## Birds and aircraft

From Dr W. R. P. Bourne

Sir, When it was proposed to construct airfields at Aldbrough and Foulness in the late 1960s there was great deal of discussion whether the numerous birds occurring there might present a hazard to the aircraft, since they had caused two crashes with a large loss of life a few years before. We were assured that a joint Bird Impact Research and Development Committee, constituted by the Transport Board, the Ministry of Defence was dealing with the matter, and technological developments had made the risk small.

I was concerned at such complacency, which contrasted markedly with the attitude of other nations such as Canada, and after taking the matter to ministerial level, we received a very courteous hearing, was permitted to meet the committee. It proved to consist mainly of technologists who seemed unwilling to concede that aircraft were still sufficiently vulnerable to justify further attention to the ornithological side of the problem, though the representative from the Royal Radar Establishment among them was carrying out an investigation of the migration of cranes at Gibraltar for NATO. Unfortunately he was unable to attend to explain why this was necessary when it was already known they follow a different route.

However, some other members of the committee did agree to provide reports of their progress, which include a duplicated first annual report of the committee (founded in 1965) for 1972 circulated in 1974. Since then I have inquired at intervals for further information about progress without result, so I was

interested to observe on the television news for November 12 a film taken at Kennedy Airport of a burning DC10 said to have caught fire after a bird strike affecting one engine on take-off, though fortunately the 139 people aboard escaped with nothing worse than minor injuries to four of them. I was a little surprised to find no further information about this incident in any of our newspapers when they returned to duty two days later, though you did publish a photograph of an aircraft taking off through a flock of birds at Tokyo.

Now six people in a passing car have been killed when an executive jet was brought down by a flock of birds, either gulls or lapwings but they cannot say which, while taking off from an aircraft manufacturer's field defended against bird attacks in Surrey. The best of the latest reports on bird strikes by the Civil Aviation Authority ends: "The record of accidents as a result of bird strikes is similar . . . to several others to which the airworthiness authorities devote considerable attention (eg, total electrical failure, lightning strikes, encounters with hail, fuel contamination, turbine disc failure, and ditching) even though the accident rate is very low. The argument that there has not been a fatal accident for 10 years, therefore we can forget the problem, is definitely not valid."

May I inquire again when the authorities propose to take a wider range of ornithological advice on how to handle this problem? Yours faithfully,  
W. R. P. BOURNE,  
3 Conlaw Place,  
Millthorpe,  
Aberdeen,  
November 21.

but have constantly pleaded with Israel to abide with the preliminary principles of justice. The facts show this did not have the slightest effect on Israel. The Arabs are ready and willing to live in peace provided Israel complies with the wishes of the international community and accepts peace and justice rather than to defy the world and some of its leaders resort to rhetoric and propaganda, statements on anti-semitic feelings, etc. Mr Abba Eban says the purpose of Israel "is to ensure the Jewish people, to safeguard its legacy and to guarantee its future." Many of your readers would have liked to see that the purpose of Israel is to live as a middle eastern nation and to pursue its life with justice to others and peace rather than in defiance, gross injustice to the Palestine Arabs and occupation of Arab territories. Your faithful,  
JAMAL NASIR, former Minister of Justice of Jordan,  
2 Stone Buildings,  
Lincoln's Inn, WC2.  
November 20.

## Extraordinary methods to prolong life

From Mr Ian Kennedy

Sir, Your report (Times, November 19) that Dr Miriam Stoppard in a television programme on the case of Karen Quinlan, "confessed last night that she had ended a man's life." She is quoted as saying: "I was not killing the patient; I was simply turning off the mechanism that was keeping him alive (sic)." I would appreciate the opportunity to comment briefly on this extraordinary statement.

It is readily true that the very important question of the determination of death is dealt with in a sensible and coherent way. Dramatic references to turning off machines make good headlines, but serve only to confuse the issue. The Quinlan case provided the opportunity (though it does not in fact involve the question of death) to examine a number of difficult problems. So far the examination has been trivial, sensational and largely uninformed. Death for centuries was identified by reference to the absence of vital functions: respiration, circulation, etc. In the case of artificial respiration and other technology have enabled doctors to maintain these functions artificially. Usually this is done to allow them the opportunity to make a careful diagnosis, and prognosis. On the one hand, however, these functions may be maintained artificially when the body's mechanism for doing so, the brain, has irreversibly and irretrievably lost the capacity to do so.

The determination of death had therefore to be identified with the irretrievable and total loss of brain function. This is known as Brain Death. It is not a "new type of death", it is merely a restatement of the criteria according to which death should be determined. It concentrates on what is recognized as the vital organ of the body without which nothing else functions spontaneously, the brain.

Thus, in the case Dr Stoppard was referring to, the patient's brain was either dead or it was not. If it was, the patient was dead. The machine was ventilating a corpse.

## Abortion restrictions

From Lord Houghton of Sowerby, CH, and Lord Pennell

Sir, Sandra Brown and others (November 7) are right in what they say about the composition and about the proceedings of the Select Committee on the Abortion (Amendment) Bill. The fact that the Select Committee were able to make unanimous recommendations was because they did not really deal with the provisions of the Bill at all. What is left for consideration after the vote of the House of Lords is a bill which is a mere restatement of the law. There is no need to reopen them.

The changes in criteria for abortion proposed by Mr Whitlam's Bill would put the clock further back than the Bourne judgment of 1958. Neither the word "grave" nor the word "serious" (as applied to the risk to the health of the mother or that of her existing family), is capable of satisfactory definition. The late Lord Chief Justice Parker emphasized this difficulty in the final debates on the 1967 Bill. On his death the House of Lords adopted an alternative test of the grounds for termination.

This was the "comparative risk" to the health of the patient, ie, whether the greater risk lay in allowing the pregnancy to go to full term or in termination. Yet Mr Whitlam's Bill completely ignores what happened in the debates on the 1967 Bill and reverts to the much criticised criterion which was abandoned on such weighty advice at the time.

Mr Whitlam's Bill belongs to the past; it is reactionary, and if any

further attempt is made to amend the Abortion Act it must take account of the rapidly changing situation. For instance, there is little point in insisting on a residential qualification now that the more liberal laws in other countries are dramatically reducing the numbers of non-resident patients coming here.

The question is this: is the Select Committee to continue to consider restrictive measures that would deny safe, legal abortion to thousands of women, and which have been condemned by resolutions passed this autumn by the Trades Union Congress and the Labour Party conference? These bodies resolve to resist any changes that would be detrimental to the health and welfare of women and which would restrict the availability of abortion on social grounds. Only two things remain to be done and neither requires a Select Committee. One is to advise the outcome of the steps now being taken by Government to curb abuses in the private sector and for the adoption of the recommendations of the Peel advisory group on the use of foetuses and fetal material for research; the other is to increase the availability of NHS abortions by the provision of out-patient facilities.

Only those who seek to arouse fresh controversy by attacking the main principles of the 1967 Act can now support the reappointment of the Select Committee.

Yours, etc.  
DOUGLAS HOUGHTON,  
CHARLES PENNELL,  
House of Lords,  
November 19.

## The Naga revolt

From Mr A. Z. Phizo

Sir, Your correspondent in Delhi reports in your issue of November 20 that "the underground Naga movement will surrender its arms . . . as result of an agreement reached with the Indian Government." The "have now accepted that Nagaland is an integral part of India. . . ." Mr A. Z. Phizo, the underground Naga leader living in London, is reported to have accepted it and that he was kept informed during the negotiations.

May I be allowed the courtesy of your column to say that there is no truth in this report?

The facts are these. A message from my people dated October 25, 1975, asked me to be ready at short notice to go to Delhi for discussion. The message said the only stipulation for an agreed ceasefire and a solution must be honourable and acceptable to both sides. I am still awaiting a call.

In preparation for the proposed talk every Naga village has been occupied by the Indian army, many of the young men in Nagaland have been permanently crippled, and since early September a 24-hour curfew has been enforced in prevent the harvesting of the rice crops. It is difficult to envisage a freely negotiated and honourable settlement under such conditions.

Could it be that we shall see in Bangladesh in the next few months an explanation for the Government of India decision to announce the agreement before it is made. No commander relishes a war on two fronts.

Yours faithfully,  
A. Z. PHIZO, President,  
Naga National Council,  
56 Lansdowne Road,  
Bromley, Kent,  
November 20.

## Parental rights in education

From Professor B. A. Wortley, QC  
Sir, Marcel Berlins in November 11's Times states that "the right of parents to send their child to the school of their choice" is not at present in the European Convention on Human Rights. It is in the First Protocol to that convention which entered into force on May 18, 1954, article 2 of which reads: "The State shall respect the right of parents to ensure such education

and teaching in conformity with their own religious and philosophical convictions."

When signing this Protocol Anthony Eden declared that this principle was accepted by the UK only so far as it was compatible with the provision of efficient instruction and the avoidance of unreasonable public expenditure.

It seems to the writer quite clear that this declaration in no way detracts from the clear rights of parents to choose their children's schooling. Yours faithfully,  
B. A. WORTLEY,  
24 Gravel Lane,  
Willeslow,  
November 18.

## Grantchester Meadows

From Mr David Keeble and others  
Sir, Cambridge City Council will, we understand, shortly be asked to approve a route for a section of an entirely new ring road, to be known as the Western Relief Road, which will strike across the city edge of the meadows between Cambridge and Grantchester. The attractive and peaceful river walk to Rupert Brooke's village is, of course, enjoyed and loved by residents and visitors alike. Grantchester Meadows is the nearest accessible area of river landscape to the centre of Cambridge. It is not only a place of beauty but a very important recreational amenity. There has rightly been strict planning control for many years to prevent development there; now, to the concern, we imagine, of all who know Cambridge, the area is threatened.

In our opinion such a road would be an environmental disaster and should be prevented, all traffic considerations notwithstanding. The Cam valley is in any case shortly to be spanned by a new motorway, the Western Bypass, only just beyond Grantchester; this will connect North and West Cambridge with areas to the South, and thus provide in some measure for peripheral traffic. In view of this it is difficult to believe that this damage to Grantchester Meadows is really necessary. Yours faithfully,  
DAVID KEEBLE,  
JOHN LELLO,  
JULIAN RUSHTON,  
32 Grantchester Road,  
Cambridge,  
November 18.

## London art market

From Mr H. M. Calmann

Sir, Your Saturday article "In a Persian Market" contains a scurrilous attack on the London dealers, as mischievous as it is unsubstantiated. It says "the London art market generally treats newcomers with deep suspicion, jealously guarding its contacts, expertise and other more unsavory practices from inexperienced eyes." One might consider this a bit of usual journalistic spice, however *semper aliquid haeret*.

I can vouch for the exact opposite of this. I belong to that great number of refugee dealers, who were welcomed into this country in the years before the war. I had no connexions here, no experience, no money. Times for the art trade were bad, worse than now. I was given encouragement, advice and help and a dealer's door was closed to me. There are still a good number of my refugee dealer contemporaries alive, who will certainly bear me out in this. In the years since 1937 I have

seen a lot of international trade. There is no art market where relations between dealers are better. The London art market has little jealousy and an openness, which conforms to the standards and traditions of the trade, will find the doors of his colleagues open to him. Yours faithfully,  
H. M. CALMANN,  
Perdige House,  
Pigton,  
Shepton Mallet, Somerset.

## Sex Discrimination Act

From Mr Alan Bradley  
Sir, Ronald Butt (November 20) Sir, briefly touched on the most worrying aspect of your report on the Sex Discrimination Act, which was the fact that it appeared. The Equal Opportunities Commission, we gather, has "powers to investigate what is taught in schools and make enforceable rulings on them, a power that even the Department of Education does not



Law Report November 24 1975

# Owners must take back ship without repairs being done

Attica Sea Carriers Corporation v Ferrostaal-Poseidon Bulk Reederei GmbH

Before Lord Denning, Master of the Rolls, Lord Justice Orr and Lord Justice Browne

[Judgments delivered Nov 21]

A condition on redelivery in a bareboat charter that "charterer before redelivery shall make all such repairs and do all such work as found to be necessary at its expense and time" was held not to be a condition precedent to the right to redelivery, but only a stipulation giving a remedy in damages.

The Court of Appeal, in reversed judgments, allowed an appeal by charterers, Ferrostaal-Poseidon Bulk Reederei GmbH, of Hamburg, from the judgment of Mr Justice Mocatta on October 16 on preliminary issues holding, in effect, that the charterers were bound to repair the Puerto Buitrago before redelivery, and that the owners, Attica Sea Carriers Corporation of Monrovia, Liberia, were entitled to the hire until the charterers repaired the vessel.

Leave to appeal to the House of Lords was refused.

Mr Robert Alexander, QC, Mr Jonathan Gilmour and Mr Martin White for the charterers; Mr Mark Saville, QC, and Mr Julian Cooke for the owners.

The MASTER OF THE ROLLS said that it was an urgent case. The Puerto Buitrago was lying at

Kiel with only a caretaker on board.

The vessel was let on a bareboat charter, which expired three months ago. She was so much out of repair that it would cost more to repair her than she was worth, even after the repairs had been done; the cost was said to be twice as much as her value when repaired. The shipowners said that it was the charterers' duty to repair her, wherever the cost, and that the charterers must pay the charter-hire until she was repaired even to the crack of doom.

For the charterers it was said that that was absurd; that they were entitled to hand her back now, just as she was, out of repair; that the shipowners should sell her for what they could get; and that they could not get damages for delivery out of repair, but not the charter-hire.

The vessel was let under a bareboat time-charter by demise under which she was manned and maintained by the charterers. It was a type of charterparty which appeared to be coming back into fashion. Here it was a demise from January, 1974, to May, 1975. Built in Japan in 1959 and powered by steam turbines, the Puerto Buitrago was surveyed in August 1974, and passed for classification. Soon after there was trouble with her engines. Eventually, full of a cargo of soy-bean meal, she was towed out of Rio de Janeiro and then for six weeks across the ocean to Guyana. For cargo use there she was then towed

to Kiel, where she arrived on September 7.

The owners produced a specification for dry-docking and repairs, which it was said would cost about £2m, whereas the value of the vessel when repaired would be only \$1m. Her scrap value would be \$300,000. The charterers admitted that repairs to the tune of \$400,000 were their responsibility, but disputed the rest. The owners had refused to accept redelivery. They obtained an injunction restraining the charterers from redelivering the vessel, but that was too late to have any effect because everyone had left the vessel. So they brought another action against the charterers, claiming hire at the charter rate of \$46,000 a month until the vessel was repaired and redelivered in sound condition. Mr Justice Mocatta gave judgment for the shipowners on preliminary questions of law. The charterers appealed.

The first question was whether, on the true construction of the charterparty, the charterers were entitled to redelivery of the vessel now. Clause 15 "Conditions on redelivery" said: "The vessel shall be redelivered to the owner in the same good order and condition as on delivery... ordinary wear and tear excepted. Charterers, before redelivery, shall make all such repairs and do all such work as found to be necessary at its expense and time."

It was plain that the charterers were under an obligation to put the vessel in good repair before

redelivery. Was that obligation a condition precedent to his right to redelivery of the vessel (so that he was not entitled to redelivery if he was not entitled to redelivery)? Or was it a stipulation, which, if broken, gave a remedy in damages but did not prevent him from redelivering the vessel to the owner? *Celivac v Bremer* (1973) 3 WLR 447, 453, 454.

The parties could, by clear words, provide that complete performance of a particular obligation could be a condition precedent. But in the absence of clear words, the courts looked to see which of the rival interpretations gave the more reasonable result. Lord Reid in *Wickham Tool v Smith* AG (1971) AC 235, 251. In the 1885 *Shipping Co case* (1922) 1 KB 617 Mr Justice Macgillie looked to see what was reasonable. The obligation to repair in clause 15 was not a condition precedent to the right to redelivery, but only a stipulation giving a remedy in damages. So on the true construction of the charterparty, the charterers were entitled to redelivery of the vessel on September 23, 1975, even effective notwithstanding that the repairs had not been completed, and the vessel was not in proper repair.

The remaining questions only arose if that construction was wrong. The words "constructive total loss" in earlier clauses meant the same as in marine insurance law. There must be some accident or event giving rise to the damage. Want of repair by itself was not sufficient. His Lordship doubted whether

there was any implied term ending the charter hire in the event of the cost of repairs exceeding the value of the vessel.

The shipowners relied on *White & Carter Ltd v McGregor* (1962) AC 413, a decision of the House of Lords by a three to two majority, in which his Lordship would not follow save in a case where a plaintiff ought, in all reason, to accept a repudiation of a contract and sue for damages. It provided that damages would provide an adequate remedy for his loss. His Lordship did not think that the law allowed the shipowners to seek to compel specific performance of one or other of the provisions of the charter-party most unjust and unreasonable consequences—when damages would be an adequate remedy.

LORD JUSTICE ORR, agreeing in allowing the appeal, said that the case differed from *White & Carter* in that it could not be said that the owners could fulfil the contract without any cooperation from the charterers and also because the charterers had set out to prove that the owners had no legitimate interest in claiming the charter-hire rather than claiming damages. If either or both of those factors had been present in *White & Carter*, Lord Reid might well have agreed with Lord Morton and Lord Keith on the result of the appeal.

Lord Justice Browne delivered a concurring judgment.

Solicitors: Richards, Butler & Co., Ince & Co.

## Crown Court's power to put off sentence

Regina v Annesley  
Before Lord Justice Bridge, Mr Justice Bristow and Mr Justice Boreham

[Judgments delivered Nov 21]

The Crown Court has jurisdiction at common law to put off for more than the 28 days limited by section 11(2) of the Courts Act, 1971, the passing of the whole or part of a sentence if circumstances make it necessary. Although taking two bites at the sentencing cherry is bad practice, circumstances may make it desirable to pass the substantive sentence immediately and to postpone what may have to be done in addition, rather than postpone the whole sentence until all material necessary to complete all elements of a sentencing problem are to hand.

The Court of Appeal so held when giving reasons for dismissing an appeal by Kevin Annesley, aged 23, against six months' driving disqualification under the "totting up" provisions in section 93(3)(5) of the Road Traffic Act, 1972, passed on him at Manchester Crown Court (Judge B. H. Gerrard) on June 6, when he was brought back for that purpose after having been sentenced there on April 18 to terms of imprisonment and three years' driving disqualification (reduced to two years on appeal) for two driving offences and taking a vehicle without consent.

Section 11(2) provides: "... a sentence imposed, or other order made, by the Crown Court when dealing with an offender may be brought back for that purpose after having been sentenced there on April 18 to terms of imprisonment and three years' driving disqualification (reduced to two years on appeal) for two driving offences and taking a vehicle without consent."

Mr Francis Coles for the appel-

lant; Mr Leslie Portnoy for the Crown.

MR JUSTICE BRISTOW said that the appellant's driving licence was suspended at the Crown Court in April when he had been committed for sentence after pleading guilty to the three offences. The judge was not in a position to deal with the problem of further disqualification under section 93. Having delivered the substantive sentences for the offences, the sentencing cherry is bad practice, circumstances may make it desirable to pass the substantive sentence immediately and to postpone what may have to be done in addition, rather than postpone the whole sentence until all material necessary to complete all elements of a sentencing problem are to hand.

The appellant was brought back more than 28 days later. His driving licence was then still missing, as it still was, but his previous record, with the assistance of the computer, had been found to contain two previous convictions causing section 93 to bite.

Mr Coles vigorously argued that the six months' disqualification had to be postponed because the time which had elapsed and the express provisions of section 11(2) in relation to the consequences of the Crown Court under the 1971 Act. He submitted that the Crown Court could put off sentence only under section 11(2)—or under section 1 of the Powers of Criminal Courts Act, 1973, which was clearly not exercised because the appellant had not been invited to consent as the Act required.

Mr Coles relied on *R v Fairhead* (1975) 2 All ER 737 and *reversed* in *R v Fairhead* (1975) 2 All ER 737 and *reversed* in *R v Fairhead* (1975) 2 All ER 737. Mr Portnoy submitted that the fallacy underlying Mr Coles' argument was to suppose that the only powers under which sentence could be put off by the Crown Court were those under section 11 of the 1971 Act or section 1 of the 1973 Act. He pointed

to *R v Ingle* (1974) 59 Cr App R 306 as authority for stating that the common law power vested in superior courts of putting off sentences or some part of sentence had not been removed.

In their Lordships' judgment it was clear from those authorities and section 1(7) of the 1973 Act and section 8 of the *Scholar* 1 to the 1971 Act that the Crown Court still enjoyed the common law jurisdiction vested in its predecessors to put off passing the whole of a sentence, or part of a sentence, if the circumstances made it necessary. While accepting the proposition that to take two bites at the sentencing cherry was bad practice, there might be circumstances in which it might be very desirable, when all the material necessary to complete all elements of a sentencing problem are to hand, to postpone sentence at once and postpone what might have to be done in addition, rather than postpone the whole of the sentence until all the material was to hand.

So in the present case, their Lordships thought that the appellant in the dark about whether and, if so, how long customary sentence he would receive simply because the material necessary for dealing with the totting up under section 93 was not immediately available and would take some time to obtain—up to three weeks in the ordinary way. It took time to obtain it then 28 days because the appellant did his motoring under more than one name.

The judge had jurisdiction to do what he did, and, in the circumstances, it was not bad practice for him to do it.

The appeal against the additional six months' disqualification accordingly failed.

Solicitors: Pariser & Co, Manchester; Mr D. S. Gandy, Manchester.

## Cheque card case for Lords

Regina v Charles

The Court of Appeal certified the following question of law: "When the holder of a cheque card presents a cheque in accordance with the conditions of the card which are accepted in exchange for goods, services, or cash, does the transaction provide evidence of itself from which it can or should be inferred that the drawer represented that he then had authority as between himself and the bank to draw a cheque for that amount and (b) that the recipient of the cheque was induced by that representation to accept the cheque?"

The court (Lord Justice Bridge, Mr Justice Bristow and Mr Justice Boreham) granted leave to the appellant, Derek Richard Charles, to appeal to the House of Lords against the dismissal of his appeal against conviction on two counts of obtaining pecuniary advantage by deception, contrary to section 16(1) of the Theft Act, 1968, by drawing two cheques, backed by a cheque card, at a club when he knew that he had no authority to draw the amount involved.

After the appellant had opened an account with a bank, he told the manager that he was finding it difficult to cash cheques because of his travels. It was arranged that he should be given a cheque

card and overdraft facilities of up to £100. At a subsequent interview the manager told him that the bank rule was that only one cheque could be cashed on any one day, but he was not told that he could or should not use a backed cheque for more than one transaction a day, nor was he asked whether he had issued any cheques still outstanding. The appellant, at his request, gave an affidavit in which he stated that he was convinced that evening he issued 25 cheques backed by his card for £750, which was above his overdraft facilities. He was convicted, inter alia, of two counts under section 16(1).

The appellant submitted that when he gave the cheques at the club he did not imply that he had money in the bank or that he had made other arrangements for meeting the cheque because the cheque card guaranteed that the bank would pay.

LORD JUSTICE BRIDGE said that while the court sympathised with the appellant's argument, they were bound by *R v Kray* (1974) 1 WLR 370 on the ground that he had obtained a pecuniary advantage for himself from the bank by way of an increased overdraft by inducing the club to believe that he was authorised to use the cheque card when he was not.

## Discretion but no duty

Regina v Chief Immigration Officer at London (Heathrow)

Airport, ex parte Hazari

Although an immigration officer who refused a Commonwealth immigrant permission to enter the United Kingdom should consider in certain circumstances, in his discretion authorised by paragraph 6(3) of Schedule 2 to the Immigration Act 1971, fresh material relating to an application for entry on different grounds, he was under no duty to do so.

The Court of Appeal dismissed an appeal by Marwan Adam Ahmed Hazari, a female immigrant from Bombay, against the Divisional Court's dismissal of her application for leave to enter the United Kingdom to require the Chief Immigration Officer at London Airport to allow her entry.

LORD JUSTICE MEGAW said that the applicant told the immigration officer that she had come to England to marry a man called Dawood Patel, who was already settled here. It was arranged marriage, the parties never having met before.

Mr Patel eventually arrived at the airport and was examined by the immigration officer but left without seeing the applicant. Later the same day it became clear that the marriage would not take place, and on the following day the

officer formally refused entry. A Mr Mallu, claiming to be the applicant's brother-in-law, instructed solicitors in Bolton to telephone and write to the immigration officer requesting that the applicant should be allowed entry as a visitor for a short stay with him and his wife. At no stage did the applicant herself seek entry except on the ground of being Mr Patel's fiancée, and she swore no affidavit.

When the immigration officer knew that the marriage would not take place, he refused entry. It could not be contended that anything went wrong in the procedure, but the solicitors submitted that the officer was under a duty to consider their letter written on Mr Mallu's authority seeking permission for the applicant to be admitted as a visitor. There might be circumstances when such material should be considered, but on immigration officer, having refused entry on one ground, was under no duty to consider other grounds. There was no essential requirement that an applicant should not be removed from the country until a second application had been considered. The appeal was wholly without substance and should be dismissed.

Lord Justice Lawton and Lord Justice Ormrod agreed.

## Deferred sentences

Regina v Jacobs

A trial judge, who deferred sentence on a convicted person, under the Powers of the Criminal Courts Act, 1973, should reserve the disposal of sentence to himself if he was a regular judge of the court of trial. Lord Justice Lawton said in the Court of Appeal.

The court allowed an appeal by Raymond Henry Jacobs, aged 35, against a sentence of 12 months' imprisonment and disqualification from driving for six months with a further six months' under the totting up procedure, imposed at Sharnbrook Crown Court (Deputy Circuit Judge Murray Burnrose) for driving while disqualified.

LORD JUSTICE LAWTON, who was sitting with Mr Justice Bristow and Mr Justice Boreham, said that Deputy Circuit Judge Lowe, who deferred the sentence, "and commit further offences during the period of deferment, he could expect to be given a suspended sentence. He wrote a note to that effect which was put before Judge

Murray Burnrose at the adjourned hearing. Burnrose had read it. There was no reason to think that the appellant committed further offences after the adjournment and the court was surprised that, after sentence had been deferred, the judge should pass a suspended custodial sentence. It seemed that the court for him did not draw the judge's attention to the contents of the note. That was an unfortunate omission. When sentences were deferred, the convicted person should be entitled to expect that they would not, ordinarily, be sent to prison.

Where a judge deferred sentence at a court where he regularly sat, he should reserve the disposal to himself. If, however, he was unlikely to hear the case further, he should make such a note as was made by Judge Lowe so that the judge at the adjourned hearing might know how the trial judge himself proposed to deal with the case.

The court substituted a sentence of 12 months suspended for two years.

## Power to extend time

Regina v Bloomsbury and Marylebone County Court, Ex parte Villierwest Ltd

Where a county court judge makes an order that a judgment should be set aside provided a sum of money is paid into court by a certain date, he has an inherent power to extend the time for payment beyond that date even though the application for an extension is not made until that date has expired.

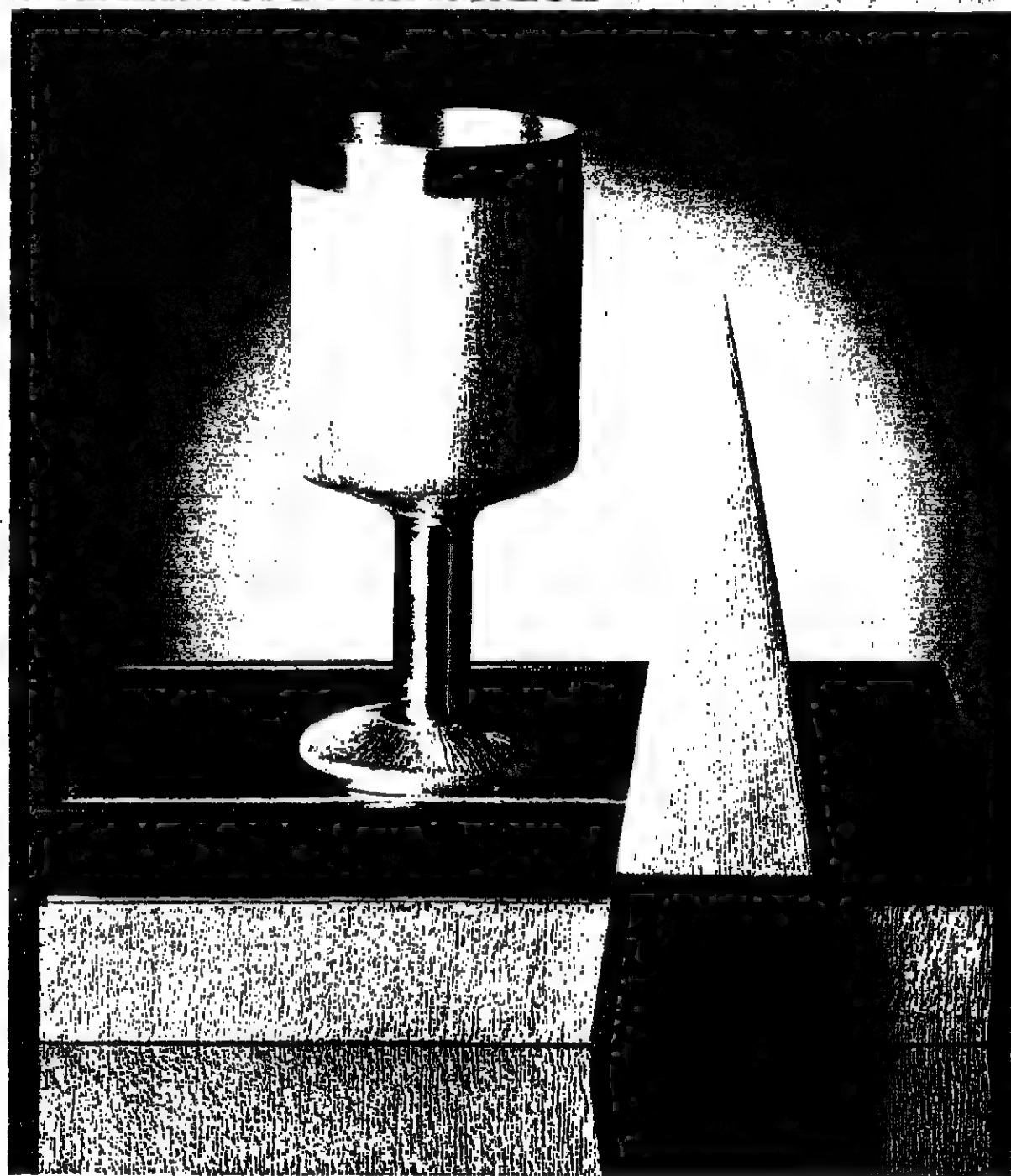
The Court of Appeal allowed an appeal by the licensee of a tenant, Mr Joel Gumedde, of Chilton Gardens, Maida Vale, from the Divisional Court (the Lord was sitting with Mr Justice Ashworth and Mr Justice Bridge) (1975) 1 WLR 1155, which granted an order of certiorari to quash an order made by Judge Flegg, extending the time for payment of moneys into court on an application made after the expiry of the original date for payment.

The MASTER OF THE ROLLS said that the County Court Rules

(Order 12, rule 5) were specific as to the enlargement of time. The Divisional Court had thought that rule did not apply because the time had been fixed by the judge. There was a wide inherent jurisdiction in both the High Court and the County Court to enlarge an order made by a judge for something to be done. *Kempster v Reddy* (1972) 1 All ER 121. It was clear that the County Court had ample time to enlarge the time within the time originally fixed. Obviously, the court had power to control its own orders and directions so that what was said in *Monckton v Easton Ltd v Bence* (1974) 1 All ER 238, *Whistler v Hancock* (1975) 3 QB 83 would be decided differently under the modern Rules of the Supreme Court, Order 3, rule 3. Judge Flegg had been right in the Divisional Court were wrong.

Lord Justice Roskill and Lord Justice Geoffrey Lane delivered judgments concurring in allowing the appeal.

## Silver and black is beautiful at Lambert and Butler



Kosta and Boda, Cartier, Jaeger-LeCoultre, Hastil, Georg Jensen are just a few of the famous names you'll find at Lambert and Butler in Park Lane. Rare and beautiful things for connoisseurs and collectors of the best in modern design at prices from £5 to £2,000.

مركز الاموال



# COURT CIRCULAR

**BUCKINGHAM PALACE**  
The Duke of Edinburgh will be present at the National Playing Fields Association's 100th Anniversary Dinner on November 24. The Duke of Edinburgh will be present at the National Playing Fields Association's 100th Anniversary Dinner on November 24. The Duke of Edinburgh will be present at the National Playing Fields Association's 100th Anniversary Dinner on November 24.

**KENSINGTON PALACE**  
The Duke of Edinburgh will be present at the National Playing Fields Association's 100th Anniversary Dinner on November 24. The Duke of Edinburgh will be present at the National Playing Fields Association's 100th Anniversary Dinner on November 24. The Duke of Edinburgh will be present at the National Playing Fields Association's 100th Anniversary Dinner on November 24.

**ROYAL HOUSE**  
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**Birthdays today**  
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**Today's engagements**  
The Duke of Edinburgh will be present at the National Playing Fields Association's 100th Anniversary Dinner on November 24. The Duke of Edinburgh will be present at the National Playing Fields Association's 100th Anniversary Dinner on November 24. The Duke of Edinburgh will be present at the National Playing Fields Association's 100th Anniversary Dinner on November 24.

**Latest appointments**  
The Duke of Edinburgh will be present at the National Playing Fields Association's 100th Anniversary Dinner on November 24. The Duke of Edinburgh will be present at the National Playing Fields Association's 100th Anniversary Dinner on November 24. The Duke of Edinburgh will be present at the National Playing Fields Association's 100th Anniversary Dinner on November 24.

## Forthcoming marriages

**Mr. P. T. Buckley**  
The marriage will take place between the son of Mr. P. T. Buckley and the daughter of Mr. P. T. Buckley.

**Mr. G. A. Williams**  
The marriage will take place between the son of Mr. G. A. Williams and the daughter of Mr. G. A. Williams.

**Mr. J. A. Arnold**  
The marriage will take place between the son of Mr. J. A. Arnold and the daughter of Mr. J. A. Arnold.

**Mr. D. K. L. Tod**  
The marriage will take place between the son of Mr. D. K. L. Tod and the daughter of Mr. D. K. L. Tod.

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## Luncheons

**HM Government**  
The luncheon will be held at the HM Government.

**Almshouse Ward Club**  
The luncheon will be held at the Almshouse Ward Club.

**Royal College of Surgeons**  
The luncheon will be held at the Royal College of Surgeons.

**Royal Overseas League**  
The luncheon will be held at the Royal Overseas League.

**London Society**  
The luncheon will be held at the London Society.

**Receptions**  
The luncheon will be held at the Receptions.

## Service dinner

**RAF Reserve Club**  
The service dinner will be held at the RAF Reserve Club.

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# THE TIMES

## BUSINESS NEWS

It's super being married to a millionaire.

Don Zillo.  
World's most exquisite cream sherry.

### Government will write off loss of £16.7m in Giro restructuring

By Richard Allen

The Government announced yesterday that it plans to write off half the past losses of the national Giro, amounting to £16.7m, under its controversial proposals for restructuring the organization.

Under the proposals, announced in a White Paper, and Bill, the Giro also will be able to extend into normal banking activities. It will be allowed to provide overdrafts and lending money to local authorities and nationalized industries.

The Post Office's liability to the Tax Payer Finance National Giro Fund is being reduced by £22.7m under a restructuring which gives Giro a public dividend capital structure similar to that provided for the British Steel Corporation and British Airways.

According to the White Paper, by the end of the last financial year, 1974-75, Giro's outstanding debt amounted to £42.5m, financing net assets of £25.8m and an accumulated deficit of £16.7m.

The amount of the debt is such that interest payable on it will continue for some years to exceed the trading profits, and while this remains so there is no prospect of Giro achieving a soundness for a long time to come.

Accordingly the Government proposes that £16.7m should be written off. The write-off would

### Improved output reported by Leyland

By R. W. Shakespeare

Confrontation between workers and management which was threatened at British Leyland's Austin/Morris car plant at Cowley, Oxford, appears to have been temporarily avoided.

Yesterday the plant got through its first day under a management threat that unless output was increased, part of the operations would be shut down and workers sent home.

This warning was contained in a letter sent to all workers at the weekend by Mr Desmond North, the Cowley plant director. It derived from the fact that British Leyland is under considerable pressure from the Government to improve its performance.

Last week Lord Ryder, chairman of the National Enterprise Board, who now effectively holds the car group's purse-strings, gave a warning that unless there was an end to unofficial strikes, and a significant increase in productivity, the Government might withhold some of the financial aid planned for British Leyland.

Mr North said in his letter that part of the Cowley car assembly operations were running at a significant loss, and that its future, and therefore that of the workers concerned was in jeopardy.

In a statement issued at the end of yesterday's day shift, British Leyland said discussions with trade union representatives had continued all day. As a result it had been agreed to hold a further meeting between management and local trade union officials on Friday.

The statement added: "Progress has been made in the performance. What this is at an early stage, we feel that time must be given for these initiatives to work and we are continuing to watch the situation carefully."

A management spokesman said that because of improved performance in the plant yesterday, it had not been necessary to send anyone home.

The company's statement seems to imply that provided there is no sudden collapse of output, the rest of this week it will try to avoid any layoffs. Sending men home would certainly be seen by the unions as highly provocative.

It also seems reasonable to assume that the talks which are being opened with the unions on Friday will ultimately centre on some revision of the grading structure at Cowley.

This is really at the heart of the latest troubles at the car plant. Various groups of workers, including engine tuners, testers and inspectors, have all been involved in disputes over claims for regrading as skilled workers.

Yesterday 320 press operators at British Leyland's Castle Bromwich car body factory called off their ten-day unofficial strike which stopped production of Jaguar cars and seriously disrupted output of mini-cars, involving the company in lost output worth some £3m.

Business Diary, page 21

### Bonn's '5 wise men' go for expansion

From Peter Norman Bonn, Nov 24

West Germany's Council of Economic Advisers today urged the government to maintain its expansionary economic policies, and prescribed a big consolidation of public sector spending as the best way to help the country back to a pattern of stable growth.

The "five wise men", as the council is known, said in their annual report that the long-awaited upswing in the West German economy is now visible. They feel that Germany, like Japan and Canada, is climbing out of the recession.

However, while it feels that the economy has unquestionably turned the corner, the council noted that uncertainty still surrounds the likely strength of the upswing and the chances for turning this into a satisfactory medium-term growth.

In its prognosis for next year, the council varies little from the forecasts of other economic research bodies. West Germany's gross national product is expected to show an overall real growth of 4.5 per cent after falling this year by 3.5 per cent.

Inflation, as measured by the cost of living index, will run at 6 per cent compared with 5 per cent this year. Unemployment, although again averaging about one million over the year, should be appreciably lower at the end of 1976 than at the beginning.

The council's chairman, Professor Norbert Klöten, told a press conference that this forecast assumed a 6 per cent increase in world trade with Germany's exports showing an average rise of 6 to 8 per cent and a rise in real investment by the country's industry of six per cent next year. He added that these assumptions alone constituted considerable risk in the forecast.

It could happen, he said, that a more favourable development in foreign trade could lead to a real growth rate of 6 per cent, while an unexpectedly low level of industrial investment could depress the rise in real gross national product to 3 per cent.

Professor Klöten declared it was the council's view that the origins of Germany's economic difficulties went back to the end of the last decade and it would take years to correct the errors made then. For this reason the council had laid great stress on the need to restore confidence in the medium term.

It pointed out that in recent years wages had advanced too strongly in relation to corporate profits; industrial investment had lagged; and that there were signs that the state was reaching the limits of expenditure that could be financed through taxation and other burdens on the private sector.

In this diagnosis, the council's view is very close to that of the Bonn Economics Ministry, which has been pleading for the creation of an economic climate more favourable to business to encourage investment and so help to restore full employment. The problem here is that the state has only limited chances for direct action, and this the council recognized.

Therefore, in the wages sector, the council called on employers and unions to make settlements which will no more than compensate for the expected rise in the cost of living next year.

In monetary policy, the council urged the West German Federal Bank to maintain its expansionary policy, and again publicly set a target of 8 per cent for the growth of central bank money stock next year.

In finance policy, the council called on the state to maintain its high level of spending to support demand while the economy was weak. But it also made absolutely clear that

Chase Econometrics predicts that real gross national product in America will rise by 7 per cent and 15 per cent respectively in the first half of next year, with Germany showing quarterly real GNP growth in 1976 at an annual rate of 6.2 per cent and Japan reaching annual GNP growth of 9 to 10 per cent by mid-1976.

The outlook for Britain, however, is bleak, according to the Chase experts, with industrial production down at an annual rate of 3 per cent in the current quarter and indicating a decline of 5.6 per cent for the year as a whole. However, the weakness of production in Britain is seen as finally ending, and for the whole of 1976 the experts forecast a decline of just 0.1 per cent.

European leaders are looking to America to lead the way out of recession. They maintain that the United States is not strong enough to carry a disproportionate share of the burden of pulling the West together.

The Senate report concludes: "The world economy is in trouble, and this has implications for our own economy. All of the major trading nations are in the same situation, with recession, inflation, and potentially weak recovery in sight."

In its latest report Chase predicted that strong American recovery, followed by considerable growth in West Germany and Japan, will ensure that the world economy is in a period of vigorous growth starting in the first quarter of 1976.

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### Shareholder tries to arrest head of Herbert

Despite angry criticism from shareholders at a five-hour meeting, a government financial aid scheme to rescue the Coventry machine tool group of Alfred Herbert was approved in its first stage yesterday.

But not before police were called to the Coventry meeting where some shareholders were heckling the board of directors. One protester tried to make a citizens' arrest of Mr John Buckley, the company chairman.

The proxy shareholder, Mr Douglas Willey, of Mumford, Norfolk, accused the chairman of misusing the proxy votes to defeat a resolution successful on the floor.

He claimed the board was committing a crime by using the assets of the old Alfred Herbert public company to raise capital and float a new, private and closed company under the National Enterprise Board.

Mr Willey was stopped on the platform by a company official as he went to arrest the chairman. The police remained outside the meeting, and the organizers of the shareholders' meeting to control it. The police also refused to help Mr Willey to make his citizens' arrest.

The meeting was convened by the High Court for shareholders to approve a scheme in which the Government buys out the ordinary shareholders at a total cost of more than £1m as well as providing a £25m aid scheme.

Each shareholder will get 5p a share. A new company called Herbert, Ltd, would then be set up with all shares held by the National Enterprise Board.

The shareholders present succeeded with a resolution from Mr Joe Johnston, of Loughborough Spa, that unless the 5p offer was substantially increased to near par value then it should be rejected and the firm liquidated.

It was wrong, he said, that the Government and management should profit at the expense of shareholders.

Eventually a full card vote was taken and the proposed scheme was approved by 85.9 per cent of the shareholders. Voting figures were: 7,632,232 for and 1,271,379 against.

Discussions are still going on between the receiver of Norton Villiers Tripp & Co., manufacturing and the Department of Trade and Industry in the hope of saving the company from being compulsorily wound up, a High Court judge was told yesterday.

Mr Charles Aldous, for the receiver, told Mr Justice Oliver: "I cannot anticipate the final result, but it is hoped that a substantial part of this business can be sold as a going concern."

By consent, the judge adjourned for 21 days a winding-up petition by Messrs (London) over an unpaid bill.

### Three US banks join Eurobonds market

By Christopher Wilkins Banking Correspondent

Three leading American investment banks are planning to start making an active trading market in Eurobonds in the near future.

The three are Salomon Bros, First Boston Corporation and E. F. Hutton. The first two, which are among the biggest bond dealers in the United States, will operate from London. First Boston will begin trading next week and Salomon early next year.

Hutton, which is primarily a stockbroking and commodity broking firm with several offices in Europe, will be running its Eurobond operation from Paris.

Such a sudden influx of powerful names into the Eurobond market is of considerable significance. Last year, when Eurobond prices were falling severely, substantial losses were incurred by a number of market makers and some, such as Orion Bank and Western American Bank, closed down their Eurobond trading operations.

This year the market has been much more profitable because, unlike last year, traders have been able to borrow short-term funds to finance their trading books at interest rates which were below the rates on the bonds. Prices have also been rising strongly.

So far, the possibility of a reversal of this situation has deterred any new traders from coming into the market, which has continued to be dominated by such firms as Kidder Peabody, Credit Suisse White Weld and Merrill Lynch.

But the volume of new issues flowing into the market has been so high—some \$5,700m in the first 10 months this year compared to a mere \$1,800m last year—that the attractions to primary issuing houses of becoming involved in the secondary market have become greater.

Equally important for American investment banks is the prospect of the imminent removal of the United States tax on securities owned by non-residents. This is expected to mean a big increase in the demand for American fixed interest securities by European investors.

The American banks are therefore viewing their move into Eurobonds as part of a programme to extend their existing strength in bond dealing in the United States on to the international plane. It is thought that other American investment banks are also investigating such a course.

Financial Editor, page 21

Big rise in regional aid offers

Government offers of regional selective assistance under section 7 of the Industry Act rose substantially in value during August. Figures released by the Department of Industry show that 62 offers, worth £22.7m, were made to companies. In July there were 97 offers, valued at £15.7m.

Since April 386 offers of selective aid, valued at £44.8m, have been made, compared with 375 offers worth £28.2m in the corresponding period last year.

### Minister asked to be hard-headed on Chrysler

By Edward Townsend

As Whitehall officials yesterday put the finishing touches to a set of proposals for aiding Chrysler UK, Mr Gerald Kaufman, Under Secretary of State at the Department of Industry, promised that a Commons amendment would be made "very soon".

Questioned by MPs on the progress being made, Mr Kaufman said that the statement, due to be made by Mr Eric Varley, Secretary of State for Industry, was being considered with "the utmost urgency".

It is likely that before revealing the Government's plan, Mr Varley will invite Mr John

Ricardo, the Chrysler Corporation chairman, to return to London for further talks.

MPs will be eager to learn the outcome and particularly to hear what the Prime Minister has described as the "distasteful" facts.

Yesterday Mr Kaufman was asked for an assurance by Mr John Biffen, Conservative MP for Oswestry, that there would be "a most hard-headed test of potential profitability applied to the Chrysler problem".

Mr Biffen said the Government must provide an early and decisive test for its new industrial strategy.

Mr Kaufman stressed that all relevant tests would be made in "this extremely vexed problem, affecting all kinds of issues".

Clifford Webb writes: Mr Eric Varley, the Secretary of State for Industry is being pressed to investigate allegations that Chrysler UK dealers in Belgium are being forced to give priority to French-made Chrysler Simcas.

The claim brought bitter protests last night from shop stewards at the company's Coventry and Lincolnwood, Renfrewshire plants. They say it is further evidence that Detroit has already decided to run down its British operation, and

is trying to fill the gap with French Simcas.

Chrysler insist that the Belgium moves are being "entirely misinterpreted".

As Chrysler's Coventry headquarters an official said: "Chrysler Belgium are rational businessmen who are not interested in the same way as we have done in Britain. The intention is to offer suitable dealers a dual franchise covering both British and French-made Chryslers. As a result it is hoped to double the number of dealers selling British cars. The Avenger is the only British model sold in Belgium and fits in very nicely with the existing Simca range."

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### The Scottish National Trust Company Limited

"A satisfactory if somewhat unexpected recovery"

At 30th September a year ago the net asset value per Ordinary Stock unit was 76p which fell further to 74p at 31st December. At that date some 90% of U.K. funds was invested in equities and the subsequent rise in markets has resulted in an increase in net asset value to 198p. Earnings per Ordinary Stock unit rose from a 9.33p to 3.03p during the year to 30th September 1975 and the Board recommends an increased Ordinary dividend of 2.75p (2.66p last year).

1975 has been a year of recession throughout the world, and the timing and speed of the recovery depend on events in the United States. It seems that the recession there has run its course but the recovery is likely to be slow and protracted. In the U.K. there is an even longer road to travel due to the disinclination of our politicians to cut their own expenditure. The level of government spending involves an immense £12 billion deficit to be financed at a time when ordinary tax revenues are far from buoyant. More and more treasury bills are being used to fund the government's spending requirements—i.e. borrowing short and spending long, thereby repeating the same mistake made by some secondary banks and property companies in 1974. Already too much of the country's resources is being pre-empted to meet excessive government spending. Only by cutting the level of government spending can the resources be made available to accommodate a recovery in the private sector, without causing inflation of even greater proportions than we have suffered this year.

For the time being, we plan to maintain a fully invested position in anticipation of the slow recovery in the United States economy spreading out into the rest of the world. Overseas we have increased holdings in commodity shares; here in this country we mainly hold easily marketable holdings in financially strong companies. We have more than a few reservations about the prospects for this country but, with the choice open to us of holding cash, fixed interest or equity shares, our preference is for the latter, despite our reservations.

Copies of the Annual Report, containing Mr. Andrew Rintoul's statement to shareholders in full, may be obtained from the Secretaries, Gartmore Investment (Scotland) Limited, Ashley House, 181-195 West George Street, Glasgow G2 2HB.

### J. Hepworth & Son, Limited

#### Well placed for future

| GROUP RESULTS   |                      |                      |  |
|---|----------------------|----------------------|--|
| Years to 31st August (amounts in thousands)                     | 1975                 | 1974                 |  |
| Group turnover (excluding V.A.T.)                               | <u>£30,424</u>       | <u>£25,640</u>       |  |
| Trading profit  | 4,442                | 4,258                |  |
| Interest paid   | <u>1,032</u>         | <u>586</u>           |  |
| Profit before tax   | <u>£3,410</u>        | <u>£3,672</u>        |  |
| Profit after tax  | <u>£1,540</u>        | <u>£1,555</u>        |  |
| Extraordinary items (net)                                       | <u>917</u>           | <u>125</u>           |  |
| Profit after tax and extraordinary items                        | <u><u>£2,457</u></u> | <u><u>£1,680</u></u> |  |
| Earnings per ordinary 10p share (excluding extraordinary items) | <u>3.65p</u>         | <u>3.88p</u>         |  |



## Shipyards 'must keep individual character'

By Peter Hill

Mr A. Ross Belch, president of the Shipbuilders' Association, said last night that under public ownership Britain's shipbuilding industry must be run on a fully decentralised basis, with individual yards being able to continue to design, sell and build their own ships.

Equally, he added, there was no need for vast sums of money to be spent on the shipyards in the immediate future.

Mr Belch, who was delivering the Andrew Leung Lecture at the North East Coast Institution of Engineers and Shipbuilders—within days of the Bill to nationalise the industry being reintroduced in Parliament—made it clear that deconcentration would provide the key to success of the Government's proposed British Shipbuilders Corporation.

Our industry should continue to be run on a fully decentralised basis with short lines of communication between management and men, shipbuilder and shipowner; and with things so arranged that the initiatives and quick decision making, so essential in an industry operating in such a fiercely competitive international market will not be frustrated by some monolithic policy-making body.

Mr Belch, managing director of the Scott Lithgow group, noted that the industry was much at the crossroads at a very critical time for the world shipbuilding, with the depression in demand for ships at its lowest levels since the 1930s and the 1950s.

Referring to the need for the EEC to retain a shipbuilding industry, he stressed that if necessary, European governments, acting individually or collectively, would have to take measures to ensure that yards were maintained for economic, employment and strategic reasons.

Dealing with British shipyard problems, Mr Belch said suitable measures would have to be taken to promote greater productivity and improved industrial relations through increased capital investment.



EDC chairmen meet: Heads of the Economic Development Committees (Little Neddies) met in London yesterday to discuss their role in implementing the Government's proposals for a national industrial strategy. They are (left to right): Mr K. Cortfield (Ferrous Foundries); Mr G. Doughty (Electrical Engineering); Lord Haver (International Freight Movement); Lord Allen (Chemicals); Mr G. Gilbertson (Shipbuilding); Dr F. Jones (Mechanical Engineering); Mr R. W. Wright (Electronics); Mr A. Gordon (Motor Vehicle Distribution and Repair); Sir Ronald McIntosh (Director General NEDO); Mr A. F. Frudham (Machine Tools); Mr T. C. Fraser (Wool Textiles); Duke of Northumberland (Agriculture); Mr I. H. Davison (Building); Sir Daniel Pettit (Distributive Trade); Sir Frederick Warner (Process Plant Working Party); Mr J. Mortimer (Mechanical and Electrical Engineering Construction); Mr T. Williams (Civil Engineering); Mr P. Parker (Clothing); Sir William Bulmer (Joint Textiles Committee).

## Six companies wound up after chiefs vanish

Six companies in the Southern Organs group were compulsorily wound up in the High Court yesterday. Mr Robin Potts, counsel for the companies, said they were controlled by two men, Mr Sydney Miller and Mr John Michael Belmore, who disappeared in September. They were last seen getting out of a helicopter in France.

"There are substantial reasons for believing that two black brief cases in their possession may well have held a substantial proportion of the companies' assets."

The companies wound up—on their own petitions, because of insolvency—were Southern Organs (Bognor), Southern Organs (Horsham), Southern Organs (Chichester), Southern Organs (Hil-Pil), Southern Organs (Brighton) and Southern Organs Ltd.

Mr Potts said the petitions had been presented largely in the interests of unsecured creditors.

## Ports 'need to double profits'

By Michael Bailey

Transport Correspondent

Britain's ports industry needs to double its profitability to £62m a year to get on a sound financial footing, according to a new study by the National Ports Council.

In what is claimed to be the first clear statement ever published of the financial objectives at which British port authorities should aim, the study recommends a return on capital of 10 per cent, which probably only three of Britain's top 14 authorities—Felixstowe, Clyde and Aberdeen—succeeded in achieving last year.

Commissioned by the Conservative Government in 1975 as part of a programme of action to strengthen the ports industry, the study receives a guarded welcome from Mr John Gilbert, the Transport Minister, who is now preparing legislation for reorganisation of the industry under a National Ports Authority.

In a foreword, he describes the study as "an important

step towards evolving a new financial and economic framework for the ports industry". He adds, however, that because the reorganisation proposals are still being worked out, the study can be regarded as only "an interim stage" not necessarily representing the Government's long-term views.

The council's recommendations are based primarily on cash flow criteria and propose, as a minimum financial objective for each port authority, sufficient internally generated cash flow in each financial year to meet: interest and any taxation and dividends to shareholders; the redemption of capital debt actually falling due in the financial year and provision towards the redemption of capital debt falling due for repayment in future years; and 50 per cent of all capital expenditure.

As a fall-back criterion, the council suggests that the annual consolidated surplus (before exceptional items, taxation and interest charged to revenue, but after making full and proper

provision for depreciation out of revenue) should represent a return on capital of not less than 10 per cent, a figure to be kept under review.

Such criteria would produce a 1975 net surplus (after depreciation interest receivable, and dividends receivable) of £51.5m compared with an actual surplus of £32.8m in 1974. If interest charged to revenue account taxation and other items are taken into account, the gap between 1975 desirable and 1974 actual is very much larger: £31.6m against £2.2m.

"We do not suggest that, especially in current conditions, this new objective can be attained in one year," the report concludes. "We do suggest that its achievement within the next two or three years would mark the real recovery of the industry into the 'self-supporting and competitive' position at which it seeks to arrive."

Financial Objectives for the Ports Industry. Published by the National Ports Council, £5.

## International building problems for UK industry

From Mr H. J. W. Owens

Sir, Your special report on "International Construction" (November 19) drew attention to the majority of the problems facing British exporters competing for "turnkey" contracts for the supply of complete plants, but omitted to mention one important area of concern.

United Kingdom contractors normally have to operate through consortia in order to tender for turnkey contracts, whereas contractors from some of our competitors can frequently provide the whole plant without resort to other contractors.

When a purchaser accepts the tender of a consortium, he will often insist on joint and several liability being taken by the principal consortium members, but the sheer size of today's turnkey contracts means that, in many cases, United Kingdom contractors simply cannot afford to accept joint and several liability. This inability must surely be losing the country contracts at a time when it most needs to win them.

Under the already over-burdened Export Credits Guarantee Department is unable to take on this additional problem, a new public or private sector body should be established to provide the public sector, then perhaps leading merchant banks and other institutions should get together to do so before it is too late.

Yours faithfully,

HOWARD J. OWENS,

27 Solent Road,

London, NW6.

November 21.

## Economics of passenger transport

From Mr Roger Calvert

Sir, After reading Mr Hope's story about the train crew freighter, I checked the railway's production record over the last 60 years. By dividing the number of train crew members in Great Britain (drivers, firemen and guards, or their modern equivalent names) into the number of miles run by the train crew, we get the following interesting record:

| interesting record : |       |       |       |
|----------------------|-------|-------|-------|
| 1913                 | 1923  | 1931  | 1939  |
| 5,640                | 4,982 | 6,123 | 5,729 |
| 1948                 | 1961  | 1971  |       |
| 3,889                | 5,356 | 7,079 |       |

At first sight, the increased mileage per train crew member in 1971 might appear to be a creditable improvement. However, it must be remembered that in earlier years steam haulage predominated whereas now electric and diesel haulage require only two men to a train compared with three previously. Also the reduction of the size of the system, the elimination of local and branch lines, and the high speed consequential closure of intermediate stations, all these should make more miles per train crew member more easily attainable. That British Rail do not do better suggests that they should take to heart

the advice of our vice-president Mr C. E. Pienies given in his letter published by you recently.

No two countries are exactly alike but an international comparison is not without interest, this time in kilometres per crew member in 1972:

|               |        |
|---------------|--------|
| Netherlands   | 32,500 |
| Denmark       | 23,200 |
| France        | 20,400 |
| Switzerland   | 19,250 |
| Portugal      | 19,200 |
| Spain         | 18,250 |
| Austria       | 17,600 |
| Germany       | 17,150 |
| Belgium       | 15,150 |
| Yugoslavia    | 12,220 |
| Great Britain | 10,800 |
| Japan         | 6,550  |

Even allowing for some variation in base in these figures taken from returns of the International Union of Railways, there is no mistaking the sad result. It is to be hoped that the minister, when he publishes his White Paper on transport policy will not recommend closures, which have failed so dismally in the past to save money, before he has first tried making better use of the available assets.

Yours faithfully,

ROGER CALVERT,

Honorary Secretary,

National Council of Inland

Transport,

Woodside House,

High Road,

London N22 4JJ,

November 18.

## Triad to market 'Scrapbook' system for NPL

A new combination of word processing, message communication and information retrieval has been developed at the National Physical Laboratory, Teddington, and is now being marketed by Triad Computing Systems, London.

Known as "Scrapbook", the system provides storage and retrieval of written information, with straightforward access suitable for people with no computing knowledge.

Its text handling includes editing, formatting and printing, enabling draft documents to be amended and corrected by visual-display terminals before the final version is printed.

In its message-handling role, the system can be used for interactive communication between the various users of the system.

Scrapbook was developed by the Computer Science Division at NPL and is run on two computers: Technology (CTL) Modular One computers. It is used by about 200 people whose terminals connect them both to the Scrapbook system

## Computer news

and to other computer facilities through the laboratory's data communications network.

The system is used in a variety of ways at Teddington. These include disseminating research information on a day-to-day basis; holding semi-permanent administrative information (eg, the NPL telephone directory); and report-writing, correcting and editing.

In essence, the main benefit of Scrapbook lies in combining the two functions of information retrieval and word-processing in the context of a shared information system.

The commercial version of Scrapbook now being marketed by Triad will be based on the use of a "stand-alone" Modular One computer. Conversion of Scrapbook to this equipment at CTL's London test centre is "nearly complete", according to Triad.

For the National Water Coun-

cil, the first organization to indicate an intention to order Scrapbook, the new package will be used for report-writing, the control of resources, and the dissemination of information throughout the organization.

GEC multi-access

A new multi-access computer system is to be unveiled this week by GEC Computers, Borehamwood. Known as Opus, it consists of a GEC 4080 processor coupled with a software package which enables up to 16 users to have simultaneous access to the machine.

The basic system can be extended by the use of more powerful peripherals, or through optional extras such as a graphics package and remote job entry.

Using the remote job entry feature, an Opus user could work through the 4080 and into a suitable ICL or IBM mainframe. This gives a choice of computer languages which is wider than those offered (Basic, Fortran 4, Coral 66 or Babbage) on the basic system.

The first Opus users are expected to come from educational and scientific computing.

Hoskyns turnover up

Turnover of the Hoskyns Group, the London-based software and systems organization, increased to about £4m in the year ending September 30, compared with £2.6m in the previous year.

In the United Kingdom, Hoskyns turnover rose from £2.1m to £3.4m, with trading profits exceeding £370,000 in the 1974-75 year.

Mr John Pearce, managing director, lists six developments as "key events" of the past year. These are the acquisition of Hoskyns by Martin Marietta Data Systems; six new facilities management contracts; the licensing by Univac of Hoskyns modular software systems; nine minicomputer projects; a substantial growth of systems conversion business; and increased activity in the financial sector.

Kenneth Owen

## Dutch limit on wage and price rises

The Hague, Nov 24.—The Dutch cabinet is to present to parliament measures to restrain prices and wages increases to below 10 per cent in 1976, Mr Joop Duijn, the Prime Minister has announced.

The cabinet finds there is no sound basis for resuming wage negotiations between employers' and workers' representatives in the Foundation of Labour.

The measures will not affect the previously agreed 7.1 per cent rise in minimum wages from January 1, 1976, but aim to improve profitability in trade and industry, lower the labour share in national income and promote growth in other incomes.—Reuter.

## Hawker suit over patent for Jaguar

Hawker Siddeley Dynamics, of Hatfield, Herts, are claiming patent royalties from the Government in a High Court dispute over the undercarriage of the Anglo-French Jaguar strike aircraft.

Mr Gerald Patterson, counsel for Hawker, told Mr Justice Graham yesterday that the company were seeking 61 per cent of the £15,000 gross selling price of each undercarriage. By October, 1973, over 150 Jaguar aircraft had been produced by the manufacturer in France.

Hawker, said counsel, had been trying to get the Ministry of Defence to negotiate royalties for over three years, and they had now come to court to force the matter.

The position was bedevilled, said Mr Patterson, because the French makers, Messier Hispano SA, of Montrouge denied ownership of or infringing the Hawker patent, and had now petitioned the High Court to revoke the patent.

Mr William Aldous, for the ministry said that the undercarriage used on the Jaguar was not the same as that in Hawker's patent.

In the judge fixed dates for certain procedural matters pending a full hearing, next summer, of both Hawker's claim and the revocation petition.

## Two electric arc furnaces for BSC start up

Plant at Clydebank works, Scotland, which will benefit British offshore oil and gas development programmes, was officially commissioned yesterday by the British Steel Corporation.

Lady Finnis, wife of Sir Monty Finnis, the BSC chairman, formally commissioned an 18m electric arc furnace at the works.

The new plant consists of two furnaces, each of 70 tonnes nominal capacity which replace six 30-tonne open hearth furnaces. They will increase steelmaking capacity from 200,000 tonnes annually to 360,000 tonnes.

This 50 per cent improvement will be achieved with a 25 per cent fall in manning levels. A production cycle of 85 hours has been cut to 21 hours.

From Mr E. G. Drawers

Sir, Your correspondent Mr B. S. Gray (November 19) has fallen into the trap of failing to understand the economics of passenger transport both in its general context and the local circumstances of his particular area.

The form of cost analysis now undertaken with in the NBC group is specific in its details not only for the benefit of the operator but for those county councils who require such information to establish the level of grant aid they may decide is necessary for a particular service. What is clear from such analysis is that costs to meet peak hour travel requirements, by their very limited operational activity, are much higher than those for vehicles operating all day.

School transport falls precisely into this category, and will continue to do so unless a

controlled form of staggering of school hours can be implemented to spread the peak and thereby spread the charges. For that reason the price level should, as for any other commodity, seek to recover cost.

As to the local circumstances, children's fares have been at a lower rate in this area than for the remainder of the operating company's system. These have now been brought into line so as to achieve parity of effect related to the circumstances already outlined.

The basic problem of this issue is cost—whether to the parent or the operator. The latter, whether to meet a statutory obligation or a trading need, cannot be expected to bear the former. This is primarily a problem created in consequence of the education system and can only be resolved by a change of the existing assisted travel arrangements laid down by the Department of Education. It is already well known that changes in this system are under consideration.

Yours faithfully,

E. G. DRAWERS,

Director,

Crosbie Motor Services Ltd,

Crosbie Wharf,

PO Box 15,

Chesner.

# Stothert & Pitt Limited

(Manufacturers of contractors' plant, materials handling equipment, cranes, deck machinery, pumps and paint machinery)

"Group achieved largest ever order valued at some £15 million."

The following are extracts from the circulated statement of the Chairman, Mr S. Wainwright, on the accounts for the year ended 28th June, 1975.

It is with great regret that I have to record the death on 21 June this year of Sir Richard Clarke. Sir Richard became chairman of Stothert & Pitt in 1967, and during his tenure the company was facing many difficulties. He devoted his energies to a reconstruction of the affairs of the group and initiated the asset utilisation and plant re-equipment plans—so that he left the company in a far stronger position to face the external problems of trade recession on the one hand and unprecedented rates of cost and price inflation on the other. In recording the appreciation of the board, shareholders and employees of his services to the company, I add my personal regret at the loss of a much respected colleague.

### Turnover and profits

Turnover at £14.5 million was 13% higher than in the previous year but this, of course, reflected a reduction in volume after allowing for higher costs. The trading profit amounted to £238,229 (£831,333). We had to carry considerably higher charges for bank interest which were £180,426 (£58,815) while the losses of our associated company Mulder, in Holland, resulted in a deduction from our profit figures of £147,317 (£2,120) and we have had to make further provisions for possible exchange losses (including investment currency premium) related to the financing of our shareholding in this company. After dealing with these provisions and crediting the surplus from the sale of properties, the net profit after tax is £116,084 (£440,920). The directors have recommended the same gross equivalent dividend as last year and the payment of this will leave £36,091 to be transferred to reserves.

### Group activity

The sharp recession in the construction industry at home has been felt most severely in the contractors' plant group, many of whose products have a major share of the UK market. During the year, we have actively and successfully increased our export effort and performance, particularly to the OPEC countries. However, it has not been possible to obtain export turnover at the same rate as the reduction in the home market. In any event, such a switch—particularly in

view of the need to provide the larger machines called for in the export market—has entailed a considerable increase in stock and work-in-progress with a consequent increase in the funds required and hence in interest charges.

The pump group has achieved a 47% increase in billings during the year under review—equally divided between home and export. This performance would have been even better had it not been for difficulties experienced with suppliers of raw materials and components.

### Achievement

Without doubt, the most notable achievement during the year was our success in obtaining—against severe international competition—our largest ever order, valued at some £15 million for the supply of 66 cranes to the Kingdom of Saudi Arabia for the ports of Dammam and Jeddah. This contract will dominate the crane and deck machinery group over a period of three years. Of our total orders on hand at the end of June of £22 million, some £13.5 million was represented by orders for cranes and deck machinery and of the latter the majority was for export.

### Modernisation

We have continued our asset utilisation and plant re-equipment programmes and we anticipate spending a further £330,000 in the current year. Some of the funds are devoted to improvements in the field covered by the Health and Safety at Work Act and in this context we have introduced, in three areas of the company, pilot schemes aimed at increased employee participation in all the relevant spheres of company activity.

### Employees

The development of the company can succeed only with the full co-operation of our employees. This we have and I should like to express the thanks of the board to all employees of the group for their efforts during the year. In the absence of unforeseen circumstances, your directors hope for a significant improvement in the results for the current financial year—an improvement necessary to enable us to finance the expected increase in turnover and to enable us to continue with the modernisation and re-equipment of our plant.

## Regulations for company registration

From Mr C. H. Sherwood

Sir, In the course of my profession I am frequently required by government departments (patent offices) both in this country and abroad to lodge certificates from the Registrar of Companies as evidence of my client companies' status. In the past requirements have been made in written application to the Companies Registration Office together with the appropriate fee, and in due course the certificate has arrived by post.

Following a recent request I learn from the Registrar that "because of current financial and power restrictions it has been necessary to discontinue postal enquiry service with effect from 1st October, 1975. Information from company files will still of course be obtainable by personal inspection through any of the many professional company agents."

Thus, someone (either member of my staff or, being a provincial practitioner, of London associate) has now to incur considerable time in journey to and from the Registrar to secure the certificate required by the government department. Obviously this is a most time-wasting and inefficient procedure for the public. Also I would speculate, admittedly without knowing the procedure within the Companies Registry, that it should be much more convenient for the latter to deal with requests for certificates rather than having to give immediate (or is this too hopeful) attention to personal and presumably spasmodic, "over the counter" requests.

Even if the Registrar has a good cause (which I do not accept) surely there would be no objection from the public to a reasonable increase in official fees to meet the extra cost of a small staff increase if this will avoid the far more expensive alternative for the public of personal attendance.

While I appreciate that I am here involved with a rather small aspect of civil service procedure, nevertheless it does seem to me to raise an important matter of principle. Is this not another thin end of a very another wedge driven by bureaucracy more intent upon its own needs rather than those of the public need responsible for its creation, and I wonder whether it is not only a matter of time before we are summoned personally to government offices to answer official inquiries that they lack the funds and manpower to deal with by post?

On the other hand what would be the position if, pleading financial and manpower restriction, the public refused government departments information by post and only on personal application? Yours sincerely,

C. H. SHERWOOD,  
Shaw Bowker & Folkes,  
Chartered Patent Agents,  
St. Martin's House,  
Bull Ring,  
Birmingham B5 5EY.  
November 17.

## New 'blood' for transfusion

From Dr R. J. Bridgwater

Sir, In a modern society the Government's main preoccupation is to help the incompetent individuals and businesses (lame ducks) by transfusions of "blood".

To do this they need a supply of "blood" for transfusions, this they obtain from the heroes of society (hard working individuals and successful businessmen) often by forceful means; this results in the "heroes" becoming wounded.

Yours faithfully,

DR R. J. BRIDGWATER,

Maybridge Chemical Co Ltd,

Trivet, Tinsley,

Cornwall, PL34 0HW.

November 17.

## THOMAS WARRINGTON & SONS LIMITED

General Building and Public Works Contractors, Ellesmere Port

The unaudited results for the six months ended 30th June 1975 are as follows:

|  | 1975     | 1974    |
|--|----------|---------|
| Profit before taxation                   | £102,000 | £72,000 |
| Corporation tax (estimated)              | £55,000  | £37,500 |
|  | £47,000  | £34,500 |
| Cost of Interim Dividend, amount payable | £34,981  | £34,981 |

The following is a statement by Brian Warrington, Chairman: The Directors have declared an Interim Dividend of 1.1637p per share (1974 1.1637p). This dividend with the associated tax to be paid on the 30th January 1976 to shareholders on the register as at 12th December 1975.

In my statement dated 23rd May 1975 I said that if we were able to maintain the workload in contracting together with the 1975 and this has so far proved to be true with an increase of 41% in the first six months. However, you will be aware of the difficulties in the building industry at present with fierce enquiries received from industry are still at a low level and with a cut-back in Government spending there has been a considerable falling off in work available from local authorities and other Government departments which I am expecting will continue through to 1977.

Liquidity has again improved and bank borrowing is now lower at £455,600 compared with £588,688 in my last statement to you on the 23rd May 1975.

55221011



## Currency risks in the Euromarkets



Mr Sam Oxford who is to be chairman and chief executive of the new Magnet & Southern company.

Interest rate spreads in the medium-term Euromarket have been widening recently, but the Magnet & Southern group, which is a self-imposed limit on its exposure in the Euromarket, is not likely to be affected. The group, which is a self-imposed limit on its exposure in the Euromarket, is not likely to be affected. The group, which is a self-imposed limit on its exposure in the Euromarket, is not likely to be affected.

At least one of the big German banks is known to be restricting the proportion of its exposure in the Euromarket. Once it has reached that limit, it will effectively be forced to reduce its exposure in the Euromarket. The group, which is a self-imposed limit on its exposure in the Euromarket, is not likely to be affected. The group, which is a self-imposed limit on its exposure in the Euromarket, is not likely to be affected.

There is no question of the Magnet & Southern group being affected by the widening of interest rate spreads in the medium-term Euromarket. The group, which is a self-imposed limit on its exposure in the Euromarket, is not likely to be affected. The group, which is a self-imposed limit on its exposure in the Euromarket, is not likely to be affected.

There are a number of ways in which banks can protect themselves against the possible hazards of dollar exposure. They can hold dollar deposits, which can be used to meet their dollar requirements. They can also use forward contracts to hedge their dollar exposure. The group, which is a self-imposed limit on its exposure in the Euromarket, is not likely to be affected. The group, which is a self-imposed limit on its exposure in the Euromarket, is not likely to be affected.

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## Hopes for industry-institutions investment strategy as City warms to equity bank

Acting with an urgency that is remarkable, when seen in its historical context, representatives of leading City investment institutions are meeting up to twice a week at the Bank of England to give shape to the idea of an "equity bank" for British industry.

A City working party was set up in mid-October to report on the need for such an institution and the feasibility of creating it. Already, the need for an equity bank/management agency appears to be beyond question in the minds of most members of the working party and they will almost certainly be presenting a blueprint for its organisation by the end of the year.

It is tempting to see the Bank of England, in the person of the Governor's industrial adviser, Sir Henry Benson, who is a co-opted member of the working party, as the race-maker in all this. The truth is, however, that the equity bank concept has taken on a momentum of its own and its fiercest detractors are now among its strongest advocates.

The institutions are afraid that if they do not act soon to stem the collapse of company prices, the balance between the public sector of industry and the contracting private sector will be destroyed.

This is more than a question of ideology, as far as the institutions are concerned, for they see their traditional function of channelling savings into industry being jeopardized. The three of some cases, the direction of their investments is never very far from the institutions' minds either.

Instead of looking for a return on their industrial investments, they are now competitive with that from competing investments in, say, finance or property companies or fixed interest securities, the institutions are to be asked to commit their funds to industry initially at something less than a full return.

Moreover, they will be asked to consider more in future the proprietary role in industry as well as their traditional role as investors. For the equity bank will be able to "vote with its feet" and walk away from investments it is not satisfied with in the way that the institutions have, at least in theory, been free to do.

Members of the working party call this an insurance policy to protect their existing investments in industry.

By whatever name, though, the policy is all but agreed among the working party representatives, and now remains for them to sell the idea to the thousands of insurance companies, pension funds, investment trusts and unit trusts that they represent.

Assuming that they are successful in this—and that is by no means assured—in "broking" the slip around the market as one working party member described it in Lloyd's underwriters' lounge, then the equity bank would almost certainly open its doors early in the new year.

The equity bank, an entirely new institution operating from its own premises (probably in the City), might be called Equity Investments Limited, or perhaps Equity Capital Corporation. Its initial capital might be around £300m—though this is one point on which final agreement appears not to have been reached yet and it could conceivably be a good deal more. Some estimates have been as high as £1,000m.

This capital could perhaps be subscribed one third each by the insurance companies and the pension funds and the remainder by the investment trust and unit trusts and by Finance for Industry, which represents the clearing banks. It would have a small executive staff with a chief executive of "high calibre" recruited from the City, or more likely, from industry.

The equity bank will work in close conjunction with FFI. Offices in investment in the equity bank will go hand in hand with an injection of loan capital by the FFI.

It will aim to invest typically perhaps between £5m and £10m in the equity of a company, though perhaps up to £25m in certain cases. This would enable the company to increase its borrowing and to "gear up" well beyond the new equity injected.

This is the sort of sum that is being injected from state sources into Alfred Herbert, or Ferranti, though obviously it is not of the magnitude that the large-scale British Industrial Bank for the private sector. The working party members are all agreed, however, that the equity bank will not be in business to prop up ailing industrial giants for "social reasons, though they might hope to nip such situations in the bud in future.

"Lame ducks" can be left to the NER.

What it will be in business for, as Sir Henry Benson views it, is to help merge the crisis of capital being arising in British industry over the next two or three years, and affecting medium and small-size companies in particular. For one thing, there will be a recovery from recession and the need to finance a much higher level of turnover in manufacturing. This can be met from bank borrowing only if the equity base of industry is increased sufficiently to enable it to gear up more.

The £1,000m of rights issues so far this year have helped here, though much of the money has gone to the financial sector and to the medium and small sector of manufacturing.

Sir Henry would argue that there are seven different situations in which companies might need to approach the equity bank. It would be where their share price is too close to par to seek a normal rights issue, when the gearing is already too high, when they lack a Stock Exchange listing or when the company is going through a bad patch and is not immediately attractive to underwriters.

There could also be cases where a company planned a long-term investment very large by comparison with its present market capitalisation, or it intended capital to finance a new process, and finally there could be the situation where stock



Sir Henry Benson: working party chairman.

investments in industry: others call it setting something aside to maintain the City machine. By whatever name, though, the policy is all but agreed among the working party representatives, and now remains for them to sell the idea to the thousands of insurance companies, pension funds, investment trusts and unit trusts that they represent.

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It will aim to invest typically perhaps between £5m and £10m in the equity of a company, though perhaps up to £25m in certain cases. This would enable the company to increase its borrowing and to "gear up" well beyond the new equity injected.

This is the sort of sum that is being injected from state sources into Alfred Herbert, or Ferranti, though obviously it is not of the magnitude that the large-scale British Industrial Bank for the private sector. The working party members are all agreed, however, that the equity bank will not be in business to prop up ailing industrial giants for "social reasons, though they might hope to nip such situations in the bud in future.

"Lame ducks" can be left to the NER.

What it will be in business for, as Sir Henry Benson views it, is to help merge the crisis of capital being arising in British industry over the next two or three years, and affecting medium and small-size companies in particular. For one thing, there will be a recovery from recession and the need to finance a much higher level of turnover in manufacturing. This can be met from bank borrowing only if the equity base of industry is increased sufficiently to enable it to gear up more.

The £1,000m of rights issues so far this year have helped here, though much of the money has gone to the financial sector and to the medium and small sector of manufacturing.

Sir Henry would argue that there are seven different situations in which companies might need to approach the equity bank. It would be where their share price is too close to par to seek a normal rights issue, when the gearing is already too high, when they lack a Stock Exchange listing or when the company is going through a bad patch and is not immediately attractive to underwriters.

There could also be cases where a company planned a long-term investment very large by comparison with its present market capitalisation, or it intended capital to finance a new process, and finally there could be the situation where stock

investments in industry: others call it setting something aside to maintain the City machine. By whatever name, though, the policy is all but agreed among the working party representatives, and now remains for them to sell the idea to the thousands of insurance companies, pension funds, investment trusts and unit trusts that they represent.

Assuming that they are successful in this—and that is by no means assured—in "broking" the slip around the market as one working party member described it in Lloyd's underwriters' lounge, then the equity bank would almost certainly open its doors early in the new year.

The equity bank, an entirely new institution operating from its own premises (probably in the City), might be called Equity Investments Limited, or perhaps Equity Capital Corporation. Its initial capital might be around £300m—though this is one point on which final agreement appears not to have been reached yet and it could conceivably be a good deal more. Some estimates have been as high as £1,000m.

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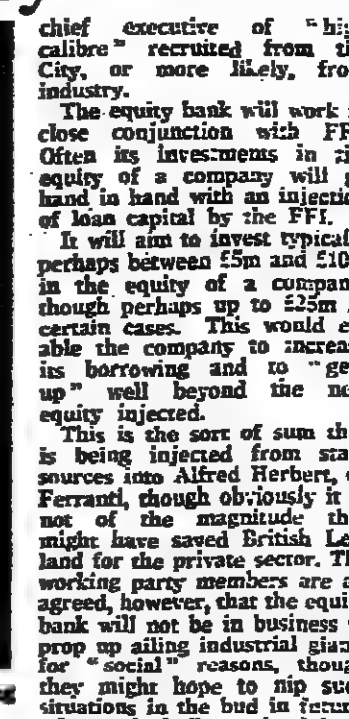
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Mr Ernest Bigland, Chairman of the working party.

market conditions generally were unfavourable. Since he became the Governor's industrial adviser earlier this year, Mr Bigland has had a fairly constant stream of industrial callers seeking funds for special situations. Industry, he says, is clamouring for a long-term investment strategy from the institutions. Industry's problems will never be solved by the institutions, juggling in and out of situations.

He envisages the equity bank accepting something less than a full return on its investments for between three to five years in some cases, though others could show an immediate return. Generally, the institutions represented on the working party foresee their funds being locked into equity bank situations for at least three years, though the aim would be to turn over part of the portfolio through offers for sale after the startup period. In order to finance new investments, at all events, the equity bank will avoid becoming a "permanent investment trust."

Likewise all feel that subscribing to the equity bank's capital of £300m, whatever the initial authorised sum may be, would have no more than a marginal impact on the institutions' cash flow of several billion pounds a year, particularly the equity bank capital would perhaps not be fully issued for two or three years.

Mr Ernest Bigland, the chairman of the working party and managing director of Guardian Royal Exchange Assurance, puts the equity bank contribution at only around 0.15 per cent of the institutions' present equity holdings, assuming that it proves to be £300m. He estimates the remarkable change of heart by the insurance world toward the idea after it stood aloof from Lord O'Brien's 1972 initiative. The 1972 group would have been an organisation effectively imposed from outside on the institutions who would have had to cede their power to vote on their shares to a high-powered chief executive and his staff.

To other factors which Mr Bigland would concede is that the industrial climate has changed drastically since 1972, to the point where many of the insurance companies' equity investments, such as British Leyland, have while the companies remained important to act either through their investment protection committee or the ad hoc institutional investors groups set up from time to time to make representations to company boards in such circumstances. The

only problem is that New York City has not got the cash to pay all its bills for wages and purchases. The missing cash is now daily being found by the state, but it could just be a few days or a few weeks before the state says it has no more cash to give the city.

Governor Carey of New York State feels certain that the budgetary measures being taken by the state legislature will result in President Ford agreeing to the federal government taking the responsibility for financing the cash-flow needs of New York City. For the next four months alone the city needs \$1,100m of outside funds to pay for its day-to-day operations.

The only open question now is a political, not a financial one. The banks and bond holders now know where they stand. Municipalities across the country now have an exact idea of what is required of them if they wish to continue borrowing. President Ford, who has given assurances publicly that essential services in New York City will be maintained, must now decide whether or not to give federal government aid to the city to maintain these services before or after the city goes bankrupt.

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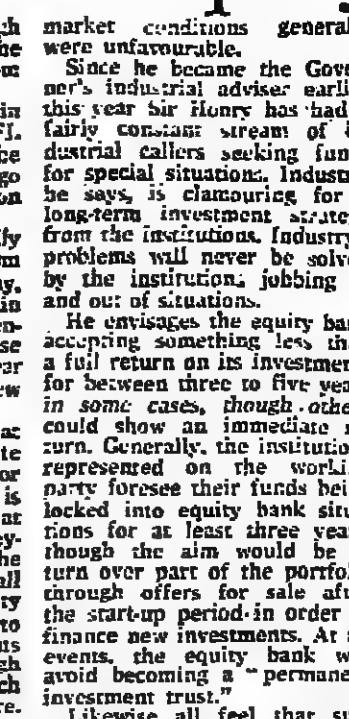
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Mr. John Keeling reports increased revenue and an improved asset position.

It is with a feeling of great personal loss, shared by my colleagues, that I have to record the untimely death in May of this year of Mr. E. F. J. Plumridge. His considerable experience and wise judgement, as well as his loyal friendship, are missed by all who knew him.

The past year has been a difficult one for investors. Inflation has been running at an appalling rate and our efforts to keep pace with it on revenue and capital account, together with having the right margin of liquidity at the right time, have involved a balancing act which has only been partially successful.

The gross revenue for the year to 30th September 1975, was £572,910 compared with £539,741, whilst the revenue after all expenses but before taxation was £306,921 compared with £476,167. Your Directors now recommend a final dividend of 2.1p per share making a total dividend for the year of 2.8p per share compared with 2.7p last year. The gross equivalent including the associated tax credit is 4.30p per share, last year 4.03p.

The theoretical break-up value of the Company after deducting the Debiture Stock at par is 61.4p per share compared with 39.0p last year. This year there is a contingent liability to Capital Gains Tax which, if taken into account, would reduce the break-up value to 59.8p.

Our policy is to invest in companies with long-term growth prospects and showing a reasonable current yield. Our aim is at least to keep pace with inflation but with companies subject to price controls and high taxation and with dividend increases normally limited to 10 per cent this is a nearly impossible task.

The first task of Government must be to control inflation. Excessive public expenditure, on non-essential items, must be cut out. As a nation we quite simply cannot afford them.

The majority of people would, I believe, welcome and respond to non-extremist leadership. If Government can provide it and interfere less in our daily lives, our country can prosper again—and Safeguard will prosper with it.

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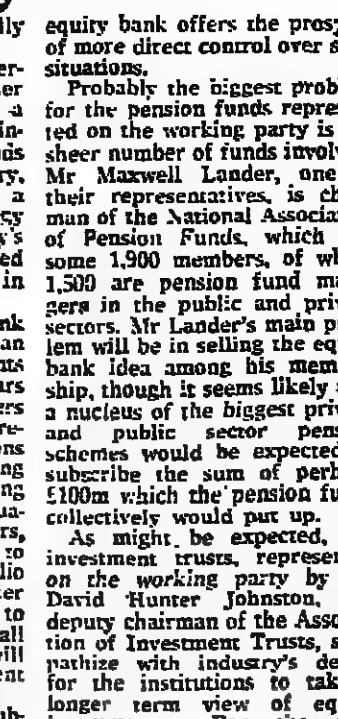
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## Lennons set fast pace with higher payouts and 68 pc profit surge

By Ashley Druker  
In the van of Tesco's interim report tomorrow, the market will be looking to results marching in buoyancy the half-time outcome of Lennons, the North Western group, which yesterday announced that taxable profits had soared 68 per cent to £54,000. This and the promise of a good second half to sent the shares up 4p to 72p. A rights issue of one-for-one at 10p a share has already been announced.

opened in Wrexham, in line with the experience of the half just past, is trading well up to "best expectations". It is also proposed to develop further the food sector, while seven additional off-licences have been negotiated. It is aimed to open these in time to take advantage of Christmas trading.

Meanwhile, an increased interim dividend of 0.77p gross (0.57p) is declared, on which Mr J. Lennon, chairman, and his brother, Denis, joint managing director, have made waivers for the whole of their personal holdings. Following the rights issue, it is intended to recommend a final dividend for the 52 weeks to March 27, 1976, of

## John Beales losses are likely to end this year

By Peter Elliott  
The downward spiral continues at John Beales Associated Companies, the Nottingham-based maker of "Marathon" underwear and outerwear, and supplier to Marks & Spencer.

## Stock markets Investors cautious ahead of ICI

With little to go for in the general news background and ICI's quarterly on Thursday bringing an extra note of caution, substantial investors stayed on the background on the London stock market yesterday.

An added restraint was the possibility that some form of import control may soon be announced and by noon the FT index had lost 24. In spite of some firmness in the afternoon session, the index had returned to its noon position by the close for a final figure of 374.2.

Shares to feature on the p.m. were Hongkong & Shanghai Bank up 4p to 259p, and Standard & Chartered which lost 5p to 478p. Slater Walker was a nervous market at 22p, off a point. There was little to enthuse over in insurance where Sun Alliance lost 3p to 44p, but Broomfield Beards firm 5p to 90p among the second-liners.

Some unfavourable comment on the property sector with M&P off 3p to 67p, and Land Securities shedding no less than 7p to 180p. In an otherwise dull building stock, Tunnel Holdings, reported the following day, came on offer and was a soft spot at 42p.

## No Cropper dividend after fall into red

By Tony May  
Losses by the James Cropper paper group have ruled out an interim distribution this year, against 1.44p gross. A pre-tax profit of £268,000 by this Lumbria-based producer has been turned into a loss of £169,000 for the six months to September 27. Turnover dropped from £3.34m to £2.78m. There is a net loss of £81,000, against a profit of £139,000.

The group's shares were promptly marked down 4p to 25p yesterday, as the directors gave warning that there was little sign of any improvement at present.

## Mann Egerton strong

On turnover up, from £47.9m to £48.4m, pre-tax profit of Mann Egerton, the motor and electrical engineering subsidiary of Incheague Group, have risen 13.5 per cent to £1.65m for the six months to September 30. Mr J. Campbell, chairman, says the second half has started well, and the overall financial position continues "strong" with borrowings low.

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Market estimates of Tesco's interim profits, due tomorrow, range from £10m to £11m, or even higher, against £8.3m. Particularly strong is the non-food section, where the retail may prove a turning point for the shares, at 51p, which have done little this year.

Other leaders to shade were Broomfield Beards 42p, Unilever 42p, and British American Tobacco which gave up 4p to 330p. Fisons proved to be the best of the "blue chips", ending 3p better at 383p.

In a mixed newspaper and newsprint sector, Associated Newspapers were easier at 91p ahead of interim profits today, while engineering had Hawker 33p and Newey Group, 3p to 32p, all responded well to a favourable mention.

After-hours features confined to the second-liners. Avon managed to trim its loss another penny and Thos Wrighton were firmer at 20p after good half-time results. Results from merging companies Magnet Joinery and Southern-Evans brought the profits-takers and Magnet came back 4p and SE added with a net loss of 2p.

## Downing's sparkling start

Leaving stress in August on a concentrated export drive as the springboard for any substantial improvement, G. H. Downing & Co. maker of clay products, has turned in an excellent opening performance—enough to lift the shares 8p to 143p yesterday.

Four months ago signs were noted of an uplift in the private building sector, with the company's stock sufficient to cover increase in demand. The refractory side was operating at full capacity, while electrical engineering was going well.

While the shares will be freely traded on the Stock Exchange, they cannot be redeemed for at least eight years in order to gain the maximum benefit of the Brazilian tax system. However, legislation will be changed and there is provision for shareholders to elect the minimum holding period.

The fund intends to go for the normal kind of spread found in United Kingdom investment trusts, although it is barred from investing in financial stocks.

After early firmness, the nationalization stocks drifted out of favour with Robb Caledon losing 3p to 43p and Swan Hunter 1p to 58p. There were some hefty losses among food shares, notably Rowntree, 6p to 184p, Cavenham 5p to 133p and JB

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## THE SECOND SCOTTISH INVESTMENT TRUST COMPANY LIMITED

The Annual General Meeting of The Second Scottish Investment Trust Company Limited will be held on 16th December, 1975 in Edinburgh. The following is the circulated statement by the chairman, Mr. Angus Grossart:—

Sir William McEwan Younger, Bt., retired from the Board on 6th September 1975, having served as a director since 1946 and as the Chairman since 1965. His intellectual energy and his long commercial experience were of great value to the Company and to his colleagues, and we shall miss his presence.

The past year has been one of considerable uncertainty for the whole investment sector. The continuing world recession has affected the level of economic activity in all countries in which we are invested. At the same time the need to control the level of inflation has influenced in different ways the direction and the firmness of the policies of individual governments. The combination of these factors has underlined the merits of equity investment and of an international spread of risk. We have therefore felt it prudent to increase the ordinary share content of our funds, and we have continued to extend our overseas investment into Europe and the Far East.

**INCREASED DIVIDEND AND ASSET VALUE**  
The increase in income and the reduction in interest costs during the year were largely offset by an increased tax liability. The balance available for ordinary dividend increased from 2.00p to 2.04p. In assessing the appropriate level of dividend for the year, your directors considered that the effects of the recession were likely to be prolonged, particularly in the U.K. where recovery could lag behind that of other countries. In that situation both the level and the quality of corporate profitability could be reduced during next year. We were also conscious that the advantages of mobility in an internationally spread portfolio may be achieved on occasions at the expense of some immediate income. Your directors accordingly recommend that the total dividend for the year should be increased from 1.85p to 1.87p per ordinary stock unit.

During the year the market value of the investments rose from £35m to £55.7m, and the net asset value of each ordinary stock unit increased from £2.8p to £2.9p. The improvement reflects the strong recovery in world stock markets from the depressed levels of 1974.

**THE OUTLOOK**  
In the U.S.A., it appears that the economy has reached the bottom of the recession. The general economic trends are encouraging and, in particular, there is a reduction in the rate of inflation and in the level of short-term interest rates. But there are no real prospects of a sharp change in the position and it may be that a period of sluggish recovery will precede any marked upturn. There remain pockets of economic and financial weakness, such as the unresolved position of New York City.

Among industrialised countries the U.S.A. is more likely to be a leader than a follower in the recovery from recession; but there can be little doubt that the U.K. must be a follower, since we are now so heavily dependent on other countries. The short-term prospects for the U.K. are not good. High interest rates and price controls make it difficult for the private sector to see an adequate return for any new investment. The fiscal drag on executive incomes has a real disincentive effect at a time when enterprise and hard work by senior management is so vitally needed by the country. The extravagance of the public sector is an unhappy precedent from a government which seeks restraint in prices and in incomes. In the light of these factors there is a need for great care and discrimination when investing within the U.K. On the positive side there are many U.K. companies which have improved their relative position during the last two years by a close scrutiny of their costs, liquidity and asset management. When the U.K. economy does recover these companies should be well placed.

The business of an investment trust is not directed towards short-term objectives. In a period of great change we can therefore persist from a sense of history, which may provide a measure of resilience and perspective to our immediate decisions. In that way it may be possible to see the present time of change as being also a time of emerging opportunity and not merely a time of difficulty.

## Brazilian fund launching

By Desmond Quigley  
A new US\$18m (about £9m) fund to invest in Brazil has been launched in a bid to assist and take part in the development and industrialization of Brazil.

Minimum subscription to the Brazil Fund S.A. will be £12,210 and the fund is thus more open to institutional investors rather than individual investors—although several individuals, particularly in France, have expressed interest.

Other leaders to shade were Broomfield Beards 42p, Unilever 42p, and British American Tobacco which gave up 4p to 330p. Fisons proved to be the best of the "blue chips", ending 3p better at 383p.

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## Clover Dairies set for best year

Grimsby-based Clover Dairies seems headed for a record year. After producing a 55 per cent increase in pre-tax profits to £1,020m in the first six months, on September 27, the board expects second half figures to better last year's £1,020m.

Sales during the period rose from £11.1m to £15.8m. The dividend is unchanged at 2.6p. Cash flow since the year-end has improved, enabling bank borrowings to be reduced to a level where the board says second-half interest will be insignificant. At the beginning of the year it said that its dairy and food markets sectors were buoyant, in spite of the Price Commission limiting net profits in the latter to 1.5p in the pound.

There are "quite encouraging" prospects for the year, says the United Kingdom subsidiary of F. W. Woolworth. The United States parent says that sales for the subsidiary were 26 per cent ahead so far this year, and the company was increasing its market share. Moreover, it was showing improvement under "adverse conditions".

## Chairmen report

**Timber and leather cheer for UCM**  
In his review for the year ended June 30, Mr Eric Sosnowski, chairman of United City Merchants, reports that trading in timber, international trade and leather has improved in the current term, after sustaining a "great setback" the year before.

## Eurobond prices (midday indicators)

| STRAIGHTS        | Yield  | Price   | Yield  | Price   |
|------------------|--------|---------|--------|---------|
| AIRC 10 1/2 1981 | 10 1/2 | 101 1/2 | 10 1/2 | 101 1/2 |
| AIRC 10 1/2 1982 | 10 1/2 | 101 1/2 | 10 1/2 | 101 1/2 |
| AIRC 10 1/2 1983 | 10 1/2 | 101 1/2 | 10 1/2 | 101 1/2 |
| AIRC 10 1/2 1984 | 10 1/2 | 101 1/2 | 10 1/2 | 101 1/2 |
| AIRC 10 1/2 1985 | 10 1/2 | 101 1/2 | 10 1/2 | 101 1/2 |
| AIRC 10 1/2 1986 | 10 1/2 | 101 1/2 | 10 1/2 | 101 1/2 |
| AIRC 10 1/2 1987 | 10 1/2 | 101 1/2 | 10 1/2 | 101 1/2 |
| AIRC 10 1/2 1988 | 10 1/2 | 101 1/2 | 10 1/2 | 101 1/2 |
| AIRC 10 1/2 1989 | 10 1/2 | 101 1/2 | 10 1/2 | 101 1/2 |
| AIRC 10 1/2 1990 | 10 1/2 | 101 1/2 | 10 1/2 | 101 1/2 |
| AIRC 10 1/2 1991 | 10 1/2 | 101 1/2 | 10 1/2 | 101 1/2 |
| AIRC 10 1/2 1992 | 10 1/2 | 101 1/2 | 10 1/2 | 101 1/2 |
| AIRC 10 1/2 1993 | 10 1/2 | 101 1/2 | 10 1/2 | 101 1/2 |
| AIRC 10 1/2 1994 | 10 1/2 | 101 1/2 | 10 1/2 | 101 1/2 |
| AIRC 10 1/2 1995 | 10 1/2 | 101 1/2 | 10 1/2 | 101 1/2 |
| AIRC 10 1/2 1996 | 10 1/2 | 101 1/2 | 10 1/2 | 101 1/2 |
| AIRC 10 1/2 1997 | 10 1/2 | 101 1/2 | 10 1/2 | 101 1/2 |
| AIRC 10 1/2 1998 | 10 1/2 | 101 1/2 | 10 1/2 | 101 1/2 |
| AIRC 10 1/2 1999 | 10 1/2 | 101 1/2 | 10 1/2 | 101 1/2 |
| AIRC 10 1/2 2000 | 10 1/2 | 101 1/2 | 10 1/2 | 101 1/2 |
| AIRC 10 1/2 2001 | 10 1/2 | 101 1/2 | 10 1/2 | 101 1/2 |
| AIRC 10 1/2 2002 | 10 1/2 | 101 1/2 | 10 1/2 | 101 1/2 |
| AIRC 10 1/2 2003 | 10 1/2 | 101 1/2 | 10 1/2 | 101 1/2 |
| AIRC 10 1/2 2004 | 10 1/2 | 101 1/2 | 10 1/2 | 101 1/2 |
| AIRC 10 1/2 2005 | 10 1/2 | 101 1/2 | 10 1/2 | 101 1/2 |
| AIRC 10 1/2 2006 | 10 1/2 | 101 1/2 | 10 1/2 | 101 1/2 |
| AIRC 10 1/2 2007 | 10 1/2 | 101 1/2 | 10 1/2 | 101 1/2 |
| AIRC 10 1/2 2008 | 10 1/2 | 101 1/2 | 10 1/2 | 101 1/2 |
| AIRC 10 1/2 2009 | 10 1/2 | 101 1/2 | 10 1/2 | 101 1/2 |
| AIRC 10 1/2 2010 | 10 1/2 | 101 1/2 | 10 1/2 | 101 1/2 |

## IMF gold sales unlikely to hit bullion price

Proposed gold sales by the International Monetary Fund are unlikely to cause a sharp fall in the bullion price, says the latest review of Moscow Narodny Bank.

It adds that by the time the legal arrangements have been made the world economy will be in a better state. It also sees increased fabrication demand as able largely to offset gradual official gold sales.

## CSR edges ahead

Net profits of the CSR group (formerly Colonial Sugar Refining) are up 21 per cent to \$420.6m (£12.7m) for the half year to September 30. This is before adding extraordinary items of \$2.73m which arose mainly from the reduction in company interest charges, the devaluation of the New Zealand dollar. The dividend is held at 7.5c after adjusting for scrip. The results include the results of the Australian Estates for the first time.

## Charterhall Finance

In his annual report, Mr Derek Williams, chairman of Charterhall Finance Holdings, says production plans will be laid in the coming year for Block 21/1 in the North Sea. Through its 37 per cent stake in CCP North Sea Associates, Charterhall has a 7.8 per cent interest in the well. He describes the project as a substantial asset, and while the group will continue investing in other exploration activities, the board's objective is to concentrate resources in maintaining this investment.

## PROPERTY INVESTMENT

Net profit, after all charges, for half-year to end-Sept, £33,000 (loss £5,000) on turnover of £1,430 (£1,07m). Board hopes to resume dividends for current year.

## Beralit gets dividend from Portugal

Portugal has finally allowed Beralit Tin & Wolfram's operating subsidiary to remit to the United Kingdom the dividend for the year to the end of last December—but in three equal tranches between now and 1977. Therefore Beralit announces its first dividend since 1970, a gross payment of 2.68p, a gross rise 2p to 16p on the news. Beralit said that the Portuguese mines were now operating more efficiently.

## Partial closure at Aero & G

Because of the serious economic conditions in Britain, Aero & General Instruments is discontinuing some of its operations, with the inevitable consequence of reductions in the work force and staff.

## Northborough Inv

A loss of £87,000 in 1973-74 has deepened into one of £400,000 at Northborough Investment Trust for the year to April 30. Turnover for the year rose from £853,000 to £1.3m.

## Equity & Law sees rise in property

Equity and Law Managed Funds says the next year or so will be a good time to invest in property. The group, which started its property fund in April, bases its premise on the likely effects of the Community Land Act and the proposed Development Land Tax Bill, and on the failure of real values to keep pace with building costs. It adds these are likely to result in a slow-down in new development, leading to a shortage of modern accommodation and a sharp increase in the values of existing buildings.

## ARMSTRONG EQUIPMENT

fast, is to acquire Walker & Wood for £75,000. Walker are whole sellers of specialized building components.

## Dennis tops forecast

Comfortably exceeding its July forecast of over £300,000, engineering company James H. Dennis reports pre-tax profit for the 12 months to August 31 jumping from £218,000 to £358,000, pre-tax, on turnover stationary at £4,02m against £4.11m. Profit after all charges rose from £107,000 to £193,000 after including a surplus of £46,000 (against a deficit of £14,000) on foreign exchange conversion.

## Kleen-E-Ze knocked

Following a decline in 1974-75, pre-tax profits of Kleen-E-Ze Holdings have slumped heavily in the first half year to October 31, being down from £25,000 to only £3,000 in spite of sales rising from £1.97m to £2.33m. However, the board expects a recovery in the second half. The interim payment is being cut from 1.3p to 0.57p gross. Kleen-E-Ze makes brushes and cleaning devices, etc.

## Century Oils to pick up after opening tumble

On turnover up from £6.14m to £6.52m for the half to September 30, pre-tax profits of Century Oils slumped from £602,000 to £328,000 and earnings a share from 4.25p to 2.14p. The interim dividend is 0.54p gross against 0.52p. On a bright note indications are for a significant improvement in the final six months to March 31.

## Freshbake fight back

Accounting errors resulted in the understatement of costs for the first nine months at Freshbake Foods. A loss of £255,000 was returned and this has been cut to £238,000 for the full year to September 30, against a loss of £102,000. Turnover rose from £4.1m to £5.3m.

## S. Simpson US boost

Having achieved an increase in group profits in a difficult year, S. Simpson, the men's and women's clothing group, reports that the United States autumn order book of the manufacturing companies is full.

## Abercorn in loss

Again withdrawing a dividend, Abercorn General Investments

## Business appointments

**Constructors John Brown names managing director**

Mr J. C. McIlhenny becomes managing director of Constructors John Brown on January 1.

## Briefly

**SAFEGUARD INDUSTRIAL**  
A call for cuts in excessive expenditure, particularly by local authorities on non-essential items, is urged by Mr. John Kesteven, without this, the Government could not succeed in controlling inflation.

## THOMAS WARRINGTON

In half-year to end-June, pre-tax profit rose from £72,000 to £102,000. Interim payment, 1.75p gross (1.73p gross). Liquidity has again improved, chairman reports.

## THANET INV TRUST

Profit for half-year to end-September, £182,000 (£148,000). Total payment, 3.65p gross (3.53p gross).

## ALLIED LEATHER

Turnover for half year to June 30, £5.2m (£4.3m). Pre-tax profit, £247,000 (£230,000). Dividend 1.23p (1.16p).

## RENOVATION

Pre-tax profit, £120,000 (£165,000). Dividend 17.4p (14p).

## THE TIMES

The Times is pleased to announce that the following members of the business community have kindly agreed to act as judges of the entries for The Times Awards:

**Chairman:**  
Lord Shawcross, Chairman of the Panel on Takeovers and Mergers

**Members:**  
Anthony Bamford, Cazenove and Company  
Anthony Everet, Binder Hamlyn Singleton Fabian  
Edgar Palmountain, The M & G Group  
Hugh Stephenson, The Times Business News  
Jacqueline Thwaites, Inchbold School of Design

**Conditions of Entry**  
All entries are free but must have appeared in the pages of The Times Business News during 1975.

The following are the categories in which the awards will be made:

1. Annual Results  
(a) Colour or Black and White. Half page or larger, or equivalent.  
(b) Colour or Black and White. Less than half page or equivalent.

2. Interim Results or Preliminary Figures  
Colour or Black and White (All sizes).

Entries will be accepted up to December 31, 1975 and should take the form of art pulls mounted on board, with a clear indication of the category in which they are to be judged. Six unmounted art pulls should also be provided for the use of the judges. They should be sent to:

Michael Mander  
Advertisement and Marketing Director  
The Times Awards  
New Printing House Square, Gray's Inn Road  
London WC1X 8EZ  
Presentation of the awards will be made early in 1976.

محمد بن الجليل



## MARKET REPORTS

## Commodities

AN early start was made in the London market for the first time since the opening of the new year. The market was active and prices were generally higher than on the previous day. The main reason for this was the fact that the market was open for a longer period than usual. The market was also active in the afternoon, and prices were generally higher than in the morning. The market was closed at 3.30 p.m. and prices were generally higher than on the previous day.

## Bank Base Rates

Barclays Bank 11%  
First London Sec 11%  
C. Hoare & Co 11%  
Lloyds Bank 11%  
Midland Bank 11%  
Nat Westminster 11%  
Roxburgh & Co 11%  
Shenley Trust 11%  
20th Century Bank 11%  
Williams & Glyn's 11%

## M. J. H. NIGHTINGALE &amp; CO LIMITED

52-53 Threadneedle Street, London EC2R 8HP. Tel: 01-638 8651

| 1974/75 | 1975/76 | 1976/77 | 1977/78 | 1978/79 | 1979/80 | 1980/81 | 1981/82 | 1982/83 | 1983/84 | 1984/85 | 1985/86 | 1986/87 | 1987/88 | 1988/89 | 1989/90 | 1990/91 | 1991/92 | 1992/93 | 1993/94 | 1994/95 | 1995/96 | 1996/97 | 1997/98 | 1998/99 | 1999/00 | 2000/01 | 2001/02 | 2002/03 | 2003/04 | 2004/05 | 2005/06 | 2006/07 | 2007/08 | 2008/09 | 2009/10 | 2010/11 | 2011/12 | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 | 2031/32 | 2032/33 | 2033/34 | 2034/35 | 2035/36 | 2036/37 | 2037/38 | 2038/39 | 2039/40 | 2040/41 | 2041/42 | 2042/43 | 2043/44 | 2044/45 | 2045/46 | 2046/47 | 2047/48 | 2048/49 | 2049/50 | 2050/51 | 2051/52 | 2052/53 | 2053/54 | 2054/55 | 2055/56 | 2056/57 | 2057/58 | 2058/59 | 2059/60 | 2060/61 | 2061/62 | 2062/63 | 2063/64 | 2064/65 | 2065/66 | 2066/67 | 2067/68 | 2068/69 | 2069/70 | 2070/71 | 2071/72 | 2072/73 | 2073/74 | 2074/75 | 2075/76 | 2076/77 | 2077/78 | 2078/79 | 2079/80 | 2080/81 | 2081/82 | 2082/83 | 2083/84 | 2084/85 | 2085/86 | 2086/87 | 2087/88 | 2088/89 | 2089/90 | 2090/91 | 2091/92 | 2092/93 | 2093/94 | 2094/95 | 2095/96 | 2096/97 | 2097/98 | 2098/99 | 2099/00 | 2100/01 | 2101/02 | 2102/03 | 2103/04 | 2104/05 | 2105/06 | 2106/07 | 2107/08 | 2108/09 | 2109/10 | 2110/11 | 2111/12 | 2112/13 | 2113/14 | 2114/15 | 2115/16 | 2116/17 | 2117/18 | 2118/19 | 2119/20 | 2120/21 | 2121/22 | 2122/23 | 2123/24 | 2124/25 | 2125/26 | 2126/27 | 2127/28 | 2128/29 | 2129/30 | 2130/31 | 2131/32 | 2132/33 | 2133/34 | 2134/35 | 2135/36 | 2136/37 | 2137/38 | 2138/39 | 2139/40 | 2140/41 | 2141/42 | 2142/43 | 2143/44 | 2144/45 | 2145/46 | 2146/47 | 2147/48 | 2148/49 | 2149/50 | 2150/51 | 2151/52 | 2152/53 | 2153/54 | 2154/55 | 2155/56 | 2156/57 | 2157/58 | 2158/59 | 2159/60 | 2160/61 | 2161/62 | 2162/63 | 2163/64 | 2164/65 | 2165/66 | 2166/67 | 2167/68 | 2168/69 | 2169/70 | 2170/71 | 2171/72 | 2172/73 | 2173/74 | 2174/75 | 2175/76 | 2176/77 | 2177/78 | 2178/79 | 2179/80 | 2180/81 | 2181/82 | 2182/83 | 2183/84 | 2184/85 | 2185/86 | 2186/87 | 2187/88 | 2188/89 | 2189/90 | 2190/91 | 2191/92 | 2192/93 | 2193/94 | 2194/95 | 2195/96 | 2196/97 | 2197/98 | 2198/99 | 2199/00 | 2200/01 | 2201/02 | 2202/03 | 2203/04 | 2204/05 | 2205/06 | 2206/07 | 2207/08 | 2208/09 | 2209/10 | 2210/11 | 2211/12 | 2212/13 | 2213/14 | 2214/15 | 2215/16 | 2216/17 | 2217/18 | 2218/19 | 2219/20 | 2220/21 | 2221/22 | 2222/23 | 2223/24 | 2224/25 | 2225/26 | 2226/27 | 2227/28 | 2228/29 | 2229/30 | 2230/31 | 2231/32 | 2232/33 | 2233/34 | 2234/35 | 2235/36 | 2236/37 | 2237/38 | 2238/39 | 2239/40 | 2240/41 | 2241/42 | 2242/43 | 2243/44 | 2244/45 | 2245/46 | 2246/47 | 2247/48 | 2248/49 | 2249/50 | 2250/51 | 2251/52 | 2252/53 | 2253/54 | 2254/55 | 2255/56 | 2256/57 | 2257/58 | 2258/59 | 2259/60 | 2260/61 | 2261/62 | 2262/63 | 2263/64 | 2264/65 | 2265/66 | 2266/67 | 2267/68 | 2268/69 | 2269/70 | 2270/71 | 2271/72 | 2272/73 | 2273/74 | 2274/75 | 2275/76 | 2276/77 | 2277/78 | 2278/79 | 2279/80 | 2280/81 | 2281/82 | 2282/83 | 2283/84 | 2284/85 | 2285/86 | 2286/87 | 2287/88 | 2288/89 | 2289/90 | 2290/91 | 2291/92 | 2292/93 | 2293/94 | 2294/95 | 2295/96 | 2296/97 | 2297/98 | 2298/99 | 2299/00 | 2300/01 | 2301/02 | 2302/03 | 2303/04 | 2304/05 | 2305/06 | 2306/07 | 2307/08 | 2308/09 | 2309/10 | 2310/11 | 2311/12 | 2312/13 | 2313/14 | 2314/15 | 2315/16 | 2316/17 | 2317/18 | 2318/19 | 2319/20 | 2320/21 | 2321/22 | 2322/23 | 2323/24 | 2324/25 | 2325/26 | 2326/27 | 2327/28 | 2328/29 | 2329/30 | 2330/31 | 2331/32 | 2332/33 | 2333/34 | 2334/35 | 2335/36 | 2336/37 | 2337/38 | 2338/39 | 2339/40 | 2340/41 | 2341/42 | 2342/43 | 2343/44 | 2344/45 | 2345/46 | 2346/47 | 2347/48 | 2348/49 | 2349/50 | 2350/51 | 2351/52 | 2352/53 | 2353/54 | 2354/55 | 2355/56 | 2356/57 | 2357/58 | 2358/59 | 2359/60 | 2360/61 | 2361/62 | 2362/63 | 2363/64 | 2364/65 | 2365/66 | 2366/67 | 2367/68 | 2368/69 | 2369/70 | 2370/71 | 2371/72 | 2372/73 | 2373/74 | 2374/75 | 2375/76 | 2376/77 | 2377/78 | 2378/79 | 2379/80 | 2380/81 | 2381/82 | 2382/83 | 2383/84 | 2384/85 | 2385/86 | 2386/87 | 2387/88 | 2388/89 | 2389/90 | 2390/91 | 2391/92 | 2392/93 | 2393/94 | 2394/95 | 2395/96 | 2396/97 | 2397/98 | 2398/99 | 2399/00 | 2400/01 | 2401/02 | 2402/03 | 2403/04 | 2404/05 | 2405/06 | 2406/07 | 2407/08 | 2408/09 | 2409/10 | 2410/11 | 2411/12 | 2412/13 | 2413/14 | 2414/15 | 2415/16 | 2416/17 | 2417/18 | 2418/19 | 2419/20 | 2420/21 | 2421/22 | 2422/23 | 2423/24 | 2424/25 | 2425/26 | 2426/27 | 2427/28 | 2428/29 | 2429/30 | 2430/31 | 2431/32 | 2432/33 | 2433/34 | 2434/35 | 2435/36 | 2436/37 | 2437/38 | 2438/39 | 2439/40 | 2440/41 | 2441/42 | 2442/43 | 2443/44 | 2444/45 | 2445/46 | 2446/47 | 2447/48 | 2448/49 | 2449/50 | 2450/51 | 2451/52 | 2452/53 | 2453/54 | 2454/55 | 2455/56 | 2456/57 | 2457/58 | 2458/59 | 2459/60 | 2460/61 | 2461/62 | 2462/63 | 2463/64 | 2464/65 | 2465/66 | 2466/67 | 2467/68 | 2468/69 | 2469/70 | 2470/71 | 2471/72 | 2472/73 | 2473/74 | 2474/75 | 2475/76 | 2476/77 | 2477/78 | 2478/79 | 2479/80 | 2480/81 | 2481/82 | 2482/83 | 2483/84 | 2484/85 | 2485/86 | 2486/87 | 2487/88 | 2488/89 | 2489/90 | 2490/91 | 2491/92 | 2492/93 | 2493/94 | 2494/95 | 2495/96 | 2496/97 | 2497/98 | 2498/99 | 2499/00 | 2500/01 | 2501/02 | 2502/03 | 2503/04 | 2504/05 | 2505/06 | 2506/07 | 2507/08 | 2508/09 | 2509/10 | 2510/11 | 2511/12 | 2512/13 | 2513/14 | 2514/15 | 2515/16 | 2516/17 | 2517/18 | 2518/19 | 2519/20 | 2520/21 | 2521/22 | 2522/23 | 2523/24 | 2524/25 | 2525/26 | 2526/27 | 2527/28 | 2528/29 | 2529/30 | 2530/31 | 2531/32 | 2532/33 | 2533/34 | 2534/35 | 2535/36 | 2536/37 | 2537/38 | 2538/39 | 2539/40 | 2540/41 | 2541/42 | 2542/43 | 2543/44 | 2544/45 | 2545/46 | 2546/47 | 2547/48 | 2548/49 | 2549/50 | 2550/51 | 2551/52 | 2552/53 | 2553/54 | 2554/55 | 2555/56 | 2556/57 | 2557/58 | 2558/59 | 2559/60 | 2560/61 | 2561/62 | 2562/63 | 2563/64 | 2564/65 | 2565/66 | 2566/67 | 2567/68 | 2568/69 | 2569/70 | 2570/71 | 2571/72 | 2572/73 | 2573/74 | 2574/75 | 2575/76 | 2576/77 | 2577/78 | 2578/79 | 2579/80 | 2580/81 | 2581/82 | 2582/83 | 2583/84 | 2584/85 | 2585/86 | 2586/87 | 2587/88 | 2588/89 | 2589/90 | 2590/91 | 2591/92 | 2592/93 | 2593/94 | 2594/95 | 2595/96 | 2596/97 | 2597/98 | 2598/99 | 2599/00 | 2600/01 | 2601/02 | 2602/03 | 2603/04 | 2604/05 | 2605/06 | 2606/07 | 2607/08 | 2608/09 | 2609/10 | 2610/11 | 2611/12 | 2612/13 | 2613/14 | 2614/15 | 2615/16 | 2616/17 | 2617/18 | 2618/19 | 2619/20 | 2620/21 | 2621/22 | 2622/23 | 2623/24 | 2624/25 | 2625/26 | 2626/27 | 2627/28 | 2628/29 | 2629/30 | 2630/31 | 2631/32 | 2632/33 | 2633/34 | 2634/35 | 2635/36 | 2636/37 | 2637/38 | 2638/39 | 2639/40 | 2640/41 | 2641/42 | 2642/43 | 2643/44 | 2644/45 | 2645/46 | 2646/47 | 2647/48 | 2648/49 | 2649/50 | 2650/51 | 2651/52 | 2652/53 | 2653/54 | 2654/55 | 2655/56 | 2656/57 | 2657/58 | 2658/59 | 2659/60 | 2660/61 | 2661/62 | 2662/63 | 2663/64 | 2664/65 | 2665/66 | 2666/67 | 2667/68 | 2668/69 | 2669/70 | 2670/71 | 2671/72 | 2672/73 | 2673/74 | 2674/75 | 2675/76 | 2676/77 | 2677/78 | 2678/79 | 2679/80 | 2680/81 | 2681/82 | 2682/83 | 2683/84 | 2684/85 | 2685/86 | 2686/87 | 2687/88 | 2688/89 | 2689/90 | 2690/91 | 2691/92 | 2692/93 | 2693/94 | 2694/95 | 2695/96 | 2696/97 | 2697/98 | 2698/99 | 2699/00 | 2700/01 | 2701/02 | 2702/03 | 2703/04 | 2704/05 | 2705/06 | 2706/07 | 2707/08 | 2708/09 | 2709/10 | 2710/11 | 2711/12 | 2712/13 | 2713/14 | 2714/15 | 2715/16 | 2716/17 | 2717/18 | 2718/19 | 2719/20 | 2720/21 | 2721/22 | 2722/23 | 2723/24 | 2724/25 | 2725/26 | 2726/27 | 2727/28 | 2728/29 | 2729/30 | 2730/31 | 2731/32 | 2732/33 | 2733/34 | 2734/35 | 2735/36 | 2736/37 | 2737/38 | 2738/39 | 2739/40 | 2740/41 | 2741/42 | 2742/43 | 2743/44 | 2744/45 | 2745/46 | 2746/47 | 2747/48 | 2748/49 | 2749/50 | 2750/51 | 2751/52 | 2752/53 | 2753/54 | 2754/55 | 2755/56 | 2756/57 | 2757/58 | 2758/59 | 2759/60 | 2760/61 | 2761/62 | 2762/63 | 2763/64 | 2764/65 | 2765/66 | 2766/67 | 2767/68 | 2768/69 | 2769/70 | 2770/71 | 2771/72 | 2772/73 | 2773/74 | 2774/75 | 2775/76 | 2776/77 | 2777/78 | 2778/79 | 2779/80 | 2780/81 | 2781/82 | 2782/83 | 2783/84 | 2784/85 | 2785/86 | 2786/87 | 2787/88 | 2788/89 | 2789/90 | 2790/91 | 2791/92 | 2792/93 | 2793/94 | 2794/95 | 2795/96 | 2796/97 | 2797/98 | 2798/99 | 2799/00 | 2800/01 | 2801/02 | 2802/03 | 2803/04 | 2804/05 | 2805/06 | 2806/07 | 2807/08 | 2808/09 | 2809/10 | 2810/11 | 2811/12 | 2812/13 | 2813/14 | 2814/15 | 2815/16 | 2816/17 | 2817/18 | 2818/19 | 2819/20 | 2820/21 | 2821/22 | 2822/23 | 2823/24 | 2824/25 | 2825/26 | 2826/27 | 2827/28 | 2828/29 | 2829/30 | 2830/31 | 2831/32 | 2832/33 | 2833/34 | 2834/35 | 2835/36 | 2836/37 | 2837/38 | 2838/39 | 2839/40 | 2840/41 | 2841/42 | 2842/43 | 2843/44 | 2844/45 | 2845/46 | 2846/47 | 2847/48 | 2848/49 | 2849/50 | 2850/51 | 2851/52 | 2852/53 | 2853/54 | 2854/55 | 2855/56 | 2856/57 | 2857/58 | 2858/59 | 2859/60 | 2860/61 | 2861/62 | 2862/63 | 2863/64 | 2864/65 | 2865/66 | 2866/67 | 2867/68 | 2868/69 | 2869/70 | 2870/71 | 2871/72 | 2872/73 | 2873/74 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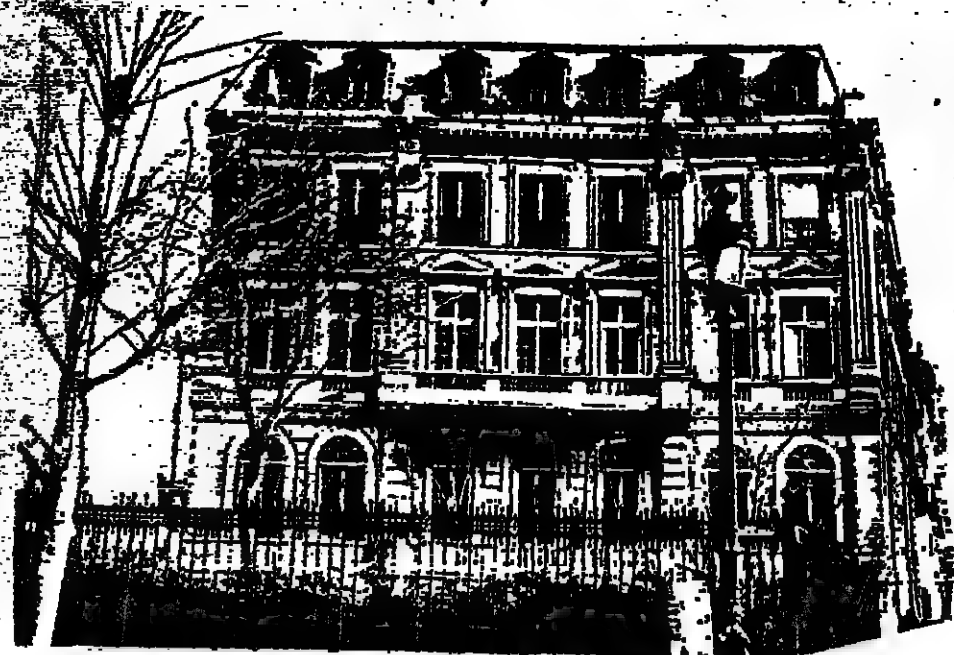






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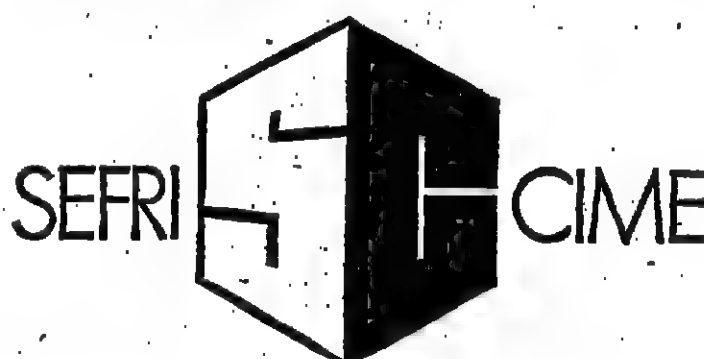
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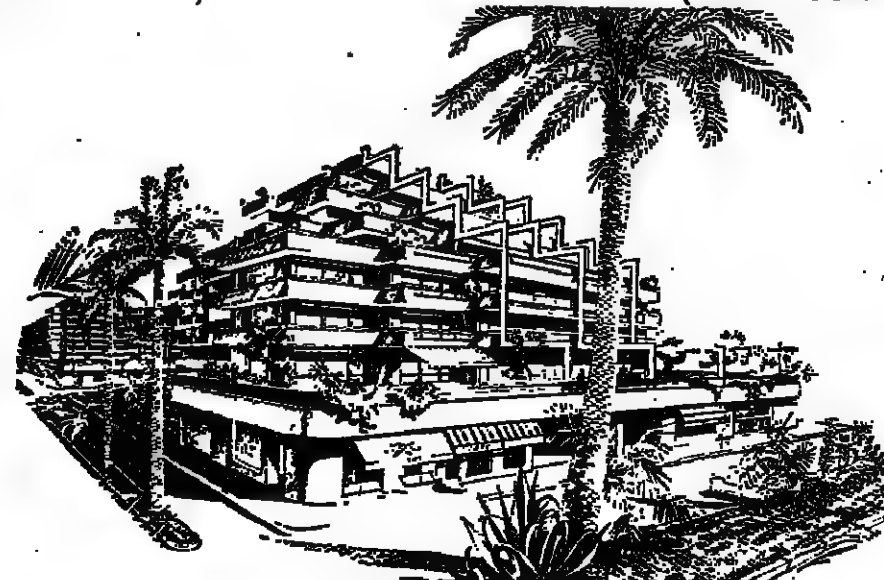
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UNION INTERNATIONALE IMMOBILIÈRE



# Minister who fills the order books

by Charles Hargrove



M. Ségard: "could sell the Eiffel Tower."

In the past decade France has become one of the important trading nations of the world. It is now on a par with Japan, after the United States and West Germany. The volume of exports over the decade rose more than fivefold, and their value sixfold.

The oil crisis, however, turned a trade surplus of 3,500m francs (about £390m) in 1973 into a deficit of 18,750m francs in 1974. The oil import bill rose nearly fourfold to 50,000m francs. One of the first priorities of the Government, along with the battle against inflation, was the restoration of the trade balance.

It gave itself until the end of 1975 to do this. In fact, it achieved its goal in February and the improvement has persisted since then. There was a trade surplus for the first eight months of this year of 8,000m francs.

The man at the centre of this remarkable achievement is M. Norbert Ségard, a newcomer to French politics, who became Minister for Overseas Trade in the Government of M. Giscard d'Estaing in June, 1974. Eighteen months ago he was almost unknown; now he is famous as "the first salesman of France", and the "order books minister", as he is popularly called.

Until he stood successfully for Parliament in 1973, he had a distinguished scientific and academic career, as an expert and professor of electronics, and the founder of several technical and research institutes in northern France.

His personality is full of contrasts. A large, thick-set man with a rugged, northerner's appearance and a certain timidity of

approach, he has a great capacity for charm and joviality combined with a razor-keen mind. He is capable of both frankness and guile. "He could sell the Eiffel Tower to an Arab Shaikh", a French banker, who saw him at work in the Persian Gulf, was recently quoted as saying. "Nonsense", M. Ségard replied when this was reported to him. "Thanks to tourism, the tower earns much more where it is."

He has travelled indefatigably in the cause of French exports, in months visiting 37 countries and covering 250,000 kilometres.

"I came to politics from teaching", he said, explaining his success. "If I analyse why I seem to have succeeded in teaching, politics and foreign trade, I find they all have to do with the business of men. One must get on with men to do things with them. When I am with foreigners, I make them appreciate

French products, the first thing is to try to make myself appreciated as a minister. Charm, you know, is also a form of intelligence."

If France, from being a protectionist country for the past 150 years if not longer, has switched to the conquest of world markets in the past 15 years, the credit went to General de Gaulle. "He opened its spirit and its heart to the world", M. Ségard said. "The founder of the Fifth Republic was a man of international stature. He went to almost all parts of the world, and was a salesman for the idea of France."

He opened France to Eastern Europe, he defined Franco-Arab friendships. He launched France into new industries: cybernetics, nuclear energy, space research. After General de Gaulle had given it the capacity of a world power, President Pompidou gave it the capacity of production. And President Giscard d'Estaing gave it the final nudge.

Creating a Ministry for Overseas Trade, and turned our country into a great exporting country. But it is only beginning to be one."

M. Ségard went on to emphasize that an asset of France as an exporter was its savoir faire. A shortcoming was the lack of Frenchmen abroad—only one and a half million, about as many as there are Portuguese in France. A great effort has been made on the university level and in leading commercial and engineering schools. But all this was directed at increasing the savoir faire of Frenchmen who stayed in France.

If the same effort had been made to train exporters to live and invest abroad, there would not be the same difficulty. "I am training young people like living abroad and not to regard expatriation as a punishment. Like the missionaries or the military of old, they must appreciate that to serve the French economy abroad is also to serve France."

He has set up a consultative committee of 24 leaders of business and industry to set up a kind of "charter of expatriate managers", lay down their rights, and ensure they do not lose promotion or other advantages by going abroad.

M. Ségard is also trying to persuade medium-sized and small firms to sell overseas. Out of 500,000 firms, 4,000 account for 90 per cent of French exports. "The smaller the firm, the bigger should be its market," he said. They had not the financial means to diversify their production. A limited range of production required a wide range of marketing, since small firms could not survive a long crisis that might occur in any one country.

But that, in turn, demanded larger marketing structures. It meant combining with others to export through international firms, rather like the Japanese trading companies, but "with an added touch of French genius."

The EEC had been both an asset and a hindrance to French overseas trade, a hindrance because EEC trade was merely an extension of internal French trade. Frenchmen thought they were carrying on foreign trade but it was only European trade. "To export is not to go to Germany or Italy but to Japan, the United States, Zaire, Saudi Arabia," he said.

Another drawback was that France exported too few goods with a high added-value content, too many unprocessed foodstuffs. The mentality was changing, but more slowly than in industry. However, the minister emphasized the "sensational progress" by France in the export of capital goods. In 1973 the balance of trade in capital

goods was adverse; in 1974 it showed a credit balance of 2,000m francs and, in the first eight months of this year, of 9,000m francs.

In 1973 contracts worth 200,000m francs had been signed; in 1974 50,000m francs worth; and in the first half of this year, the same amount. So that this year's contracts could be double last year's, M. Ségard said it had given a fillip to the economy. "In itself it was bad, but the way France reacted to it was good. It was an ill which compelled the patient to become healthier than before. It submitted to a diet, and the diet was salutary."

Asked about criticism that France had paid too dearly for oil through bilateral agreements with oil producers in the first year of the oil crisis, M. Ségard said that the cover of oil imports by exports to the oil-producing countries had increased steadily. In 1974, when the oil bill was 50,000m francs, France exported almost nothing to those countries. Now almost 75 per cent of the cost of oil imports was covered by exports.

M. Ségard said that, in addition to the good trade balance for the first eight months of this year, the balance of current payments showed a surplus of 2,000m francs, something which had not happened for a long time, because the surplus on trading balance neutralized part of the deficit on invisibles. On the other hand, some branches like insurance, which showed a deficit, had begun to record a surplus this year.

The Government had taken steps to ensure this, and to accustom French importers and exporters to the idea that French goods must be covered by French insurance. It had drawn their attention to the fact that if France continued to have a payments deficit in 1974, without any reform in freight and insurance, the cumulative deficit in 1980 would be almost equivalent to the French budget.

The geographical distribution of French foreign trade has undergone a great change in the past two years. With industrialized countries it fell by 5 per cent; with the oil states it rose by 45 per cent; with East Europe it rose by 40 per cent; and with the developing countries by 20 per cent.

The figures were proportionally much greater between 1973 and 1974. In 1973 60 per cent of French foreign trade was with the EEC; now it was far less than half. It was true that the spectacular improvement in the trade balance in the past year had been equally a result of a fall in imports and an increase in exports.

"We bought less oil," M. Ségard said. "The price of raw materials, excluding oil, has fallen; copper costs less. There was a fall in economic activity. We paid our imports in depreciated dollars. That is what enabled France to move from a sharply deficit position to a credit one, and even to balance its current payments."

"Invisibles are still in the red. But note that we have already to cope with 8,000m francs worth of transfers by foreign workers in this country."

In the first stage of its export drive France has concentrated on those areas which would enable it to chalk up quick successes, like Eastern Europe and the Arab oil producers.

M. Ségard said he had not been to the United States. He would visit Brazil in November, Venezuela towards the end of the year and the United States next year. "Two countries explain the trade deficit of 18,000m francs in 1974—Germany to the tune of 8,000m francs and the United States to the tune of 8,000m francs."

In the first eight months of 1975 the trade deficit with Germany was reduced by half, the minister added. With America the position was unchanged.

Trade between Britain and France remained at a modest level, British exports amounting to 4.5 per cent of total French imports, and French exports to 6.3 per cent of total British imports.

For a government document to become a best seller is rare in France. Yet the Sudreau report, a soberly written, closely argued survey of industrial organization in France, from the shop floor to the boardroom, has sold more than 100,000 copies in the 10 months since it was published.

An English edition has just been prepared by the Brussels Commission, on whose revised recommendations for a European company statute it has made a distinct impact, away from the German ideas of workers' co-management towards which it originally inclined. All French employers, trade union organizations and political parties have set up committees to study it in depth. All universities and business schools and all recurrent training programmes have included it in their syllabi. It has already profoundly influenced French attitudes towards industrial reform and it will remain an important document for many years to come.

From the moment he took office, President Giscard d'Estaing regarded the reform of industry and a change in the atmosphere of industrial relations as cornerstones of his ambitious programme of turning France into an "advanced liberal society" for the simple reason that industrial firms were, even more than politics, one of the most glaring illustrations of what he called the tensions and "blockages" of France.

The intention of reforming French firms, as described by a trade unionist who helped to prepare the report as the bastion of paternalist conservatism, was in itself almost a revolution in industrial relations in the past half century or more. It had been more or less reluctantly introduced under the pressure of social upheavals in 1917, 1936, 1945 or 1968. This time, the President's idea was to demonstrate that his country was capable of overcoming the human and economic difficulties raised by industrial structures rationally and peacefully.

Yet the Sudreau report is, on the face of it, hardly revolutionary, even by conservative French standards. It reverts to clear ideologies and utopias, and takes French industrial society as it is. "It is prudent, pragmatic, pluralist," authors say, conservative in principles, but bold in concrete issues, as a former Gaullist minister expressed it.

Its boldness, however, is deliberately couched in vague, reassuring terms. It cannot afford, having launched the report, not to implement it, or to appear to go back on its promise and purpose. If he did, the opposition and the unions would immediately say it had been just an elaborate piece of bluff.

## Reserved attitude of unions

The unions' attitude has been defensive and reserved from the start; though not entirely negative, even from the communists' CGT, which gave evidence but refused to sit on the committee. Its spokesman and that of the leftist-inclined CFDT is that they should not help to run capitalism by accepting responsibility in management. Even the white-collar workers' union, the CGC, does not want a share in decision-making, but "concertation" with management. Only the small Christian Workers' Union, the CFTC, is in favour.

However, the unions will accept all the improvements and advantages the report gives them, and will refuse to sit on a supervisory board of firms.

Their attitude could be summed up as saying "no" to the reform as a whole, because it is something thought up by the President for his own political purposes, and when they come up, for example, lowering of the retirement age is already being discussed with the Government.

The employers' reactions have generally been more articulate but equally unenthusiastic. The federation of small and medium enterprises, the PME, is against the report, because the Sudreau reform would mean either increased costs or a division of authority in a sector of industry which has remained very paternalistic and where union rights are revered and often flouted.

The French equivalent of the CBI, the CNPF, has not condemned the report outright. It is divided, approving some of the recommendations—like the improvement of working conditions, reform of company law and the publication of consolidated accounts—but not others, on which the Sudreau committee itself is divided, and the reinforcement of union powers in firms.

The young employers' association and the *Entreprise et Progrès* group, which boasts rather more progressive employers than most, have both reservations. One of them is that information and worker participation should be freed from union monopoly, which is something the unions will never accept.

## Responsibility of workers

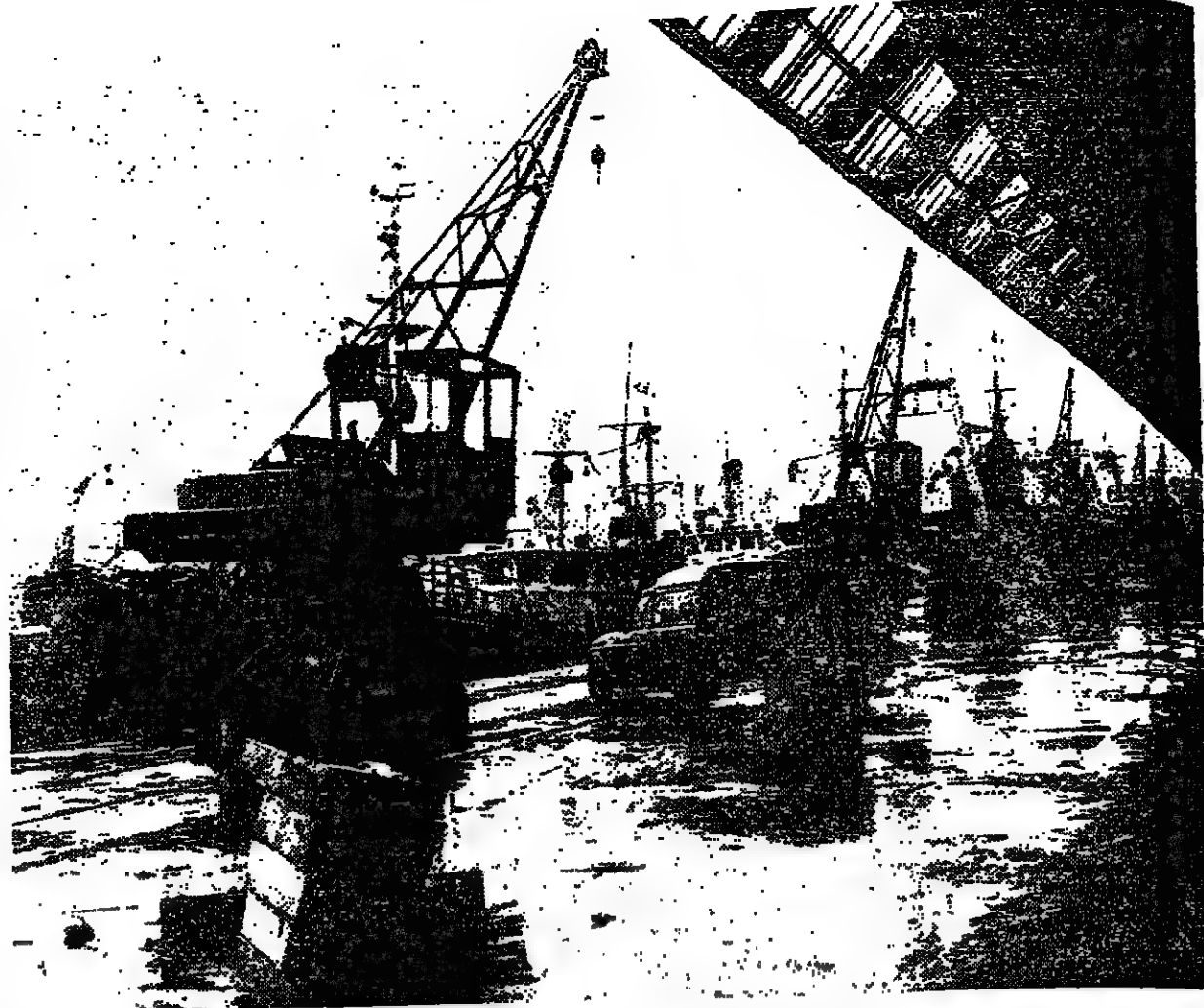
The central idea of the report is the greater responsibility of workers in the running of industry through the introduction of the concept of "co-supervision". They would make up a third of the supervisory boards of firms, and have a vote, but on a voluntary basis, leaving it to the "national debate" the report is designed to provoke to decide whether it should eventually become compulsory in larger enterprises.

However, there is no dilution of the ultimate power of decision of management. A firm is not a political society. Management does not begin with elections. There must be authority in a firm and it must be in a position to decide between conflicting interests of firm, workers and shareholders.

The report also recommends an improvement in working conditions, job enrichment, keeping employees better informed; improvement of security and respect for contractual agreements. A reform of labour legislation and in particular workers' shares in the capital of firms; and protection against mass layoffs and bankruptcy of firms.

It also insists on the need for a complete recasting of company law. And the creation of three new types of company: industrial associations, without company capital, firms with worker participation in capital and management, and enterprises not carried on for profit.

# Coolness over industrial reform programme



The report also recommends improved protection of shareholders through better information, government aid for reconversion and reorganization of firms and, what is novel, insistence on the promotion of the entrepreneur spirit and state assistance in the creation of new medium-sized and small firms. It comes out in favour of a retirement age for company directors and a reduction of their remuneration.

The economic deterioration between the setting up of the Sudreau committee and the publication of its report five months later, had not made it any easier to implement its recommendations, whether they have an impact on costs or not. Yet there is no doubt about President Giscard's determination to carry them out, if over a period of years. The report questions five years' time for translating the whole of it into fact.

The reform of industry is not only the cornerstone of the President's "advanced liberal society", it is also fundamental to the credibility of his reformist image. He cannot afford, having launched the report, not to implement it, or to appear to go back on its promise and purpose. If he did, the opposition and the unions would immediately say it had been just an elaborate piece of bluff.

But the members of *Entreprise et Progrès* have begun to carry out some of the reforms in their own firms, like the publication of an annual and detailed report along with the financial and economic report.

It is not surprising that the Government has not yet done anything spectacular in implementing those of the Sudreau recommendations which required either legislative action or administrative regulations. The authors of the report called for a period of reflection and "national debate", which they hoped would prevent the reform from being regarded as the unions are naturally inclined to do, as a political instrument. Also, when the economy begins to show signs of recovery, possibly by next spring, it will be easier to persuade employers to make the necessary sacrifices financial or otherwise, and eliminate the risk that they might show their ill humour by laying off those workers they have been persuaded to keep on short time.

But it would be wrong to think that the Government has done nothing. It has been nibbling away at the Sudreau reforms for the past year or more, anticipating them last autumn with the unemployment benefit awarded to workers laid off for economic reasons. It has also revived a law from the immediate postwar years on better information of works' councils about the prospects of firms in economic difficulties.

The lowering of the retirement age to 60 is part of the vast operation of improving labour conditions, and the publication of the Sudreau report has given a definite fillip to discussion between employers and workers on the subject, which had been marking time for about two years.

The Government is going about the business of implementing the reform of industry in two ways: by inciting and putting pressure on employers and unions to carry out things which do not require legislation or regulation, like experiments in job enrichment techniques, for which the unions do not show much enthusiasm, and by preparing a decree on the tightening up of labour security in plants.

The necessary Bills on labour law, company law, on workers' "co-supervision", to mention only a few, will be tabled next spring. The President has held two Cabinet committees at the Elysée Palace on the reforms, and will have held two more by the end of the year. No other area of government action has been the subject of such close attention and concern on his part.

Yet the government gives an image of indecision and inability to reap the full benefit of its initiative and action, even allowing for the economic crisis and necessary administrative delays. Instead of announcing its plans on labour security this autumn, for instance, it gives the impression of being overtaken by events, and stampeded into action.

It has not attempted to coordinate effectively the work of the 12 ministries involved in the reforms, or appointed either a senior civil servant to do so or the promised independent national council to keep a vigilant eye on progress.

There are signs, too, that if the President is determined on reform, some of his ministers are less so. M. Fourcade, the Economics Minister, for instance, will not allow the revaluation of balance sheets to allow for depreciation. Nothing has been done to help the creation of new firms, though, psychologically at least, this would have made an impact on employment.

The real test of government determination will come next spring, however. Then, whether it is helped by a recovery of the economy or still hindered by recession, the Government will have to demonstrate

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On this and the next page are accounts of how six French industries are weathering the present economic difficulties. The section opens with an article on state participation in the economy

## Influence is a matter of tradition

The French economy is generally regarded as being much more closely state-controlled than that of Britain and other major capitalist countries. The extent of state intervention is not, however, as much as is often supposed. First, state influence over private industry is more a matter of tradition than of policy. Second, the state's influence is not as all-pervasive as is often supposed. Third, state influence is not as all-pervasive as is often supposed. Fourth, state influence is not as all-pervasive as is often supposed. Fifth, state influence is not as all-pervasive as is often supposed. Sixth, state influence is not as all-pervasive as is often supposed. Seventh, state influence is not as all-pervasive as is often supposed. Eighth, state influence is not as all-pervasive as is often supposed. Ninth, state influence is not as all-pervasive as is often supposed. Tenth, state influence is not as all-pervasive as is often supposed. 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That said, it is true that the state has closer control over the financial markets than in Britain, since there is the real equivalent of the City. And the state does provide a dynamic leadership for economic development, more markedly than in Britain. The effect, though controversial, is almost certainly beneficial — one only has to look at France's progress since the war.

The wider French nationalization, that of the tobacco industry, dates from Louis XIV. Others are more recent. In 1936 the Popular Front regime took over armaments and railways and, to an extent, the Bank of France, and set up state aeronautical firms. The post-war governments of 1945-46 added in large measure to the list: Air France, the electric and gas were all taken over, as well as Renault — whose private owners had allegedly helped the Germans — and the larger insurance companies and clearing banks. The Bank of France was fully nationalized.

Most of these moves were made in an anti-capitalist spirit. But since 1946 there have been no important changes, save that, with nationalization, the Government has been building up the state oil concerns to counter the big international companies. The state controls two fifths of the domestic oil market. This list of nationalizations may look impressive, but in fact only about 7 per cent of manufacturing industry, in terms of turnover, is in state hands. There are no statistics for comparison, but that may be less than the figure in Britain, where the state controls British Leyland. As for the service industries such as railways and electricity, the pattern of state ownership is much the same in France as in Britain.

If the French undertakings tend to work more efficiently, one reason could be the high calibre of their top administrators — people of intense zeal and loyalty who come from the elite world of the Grandes Ecoles and Grand Corps. Another reason is that the state, while subjecting these industries to its long-term planning and keeping a watch over their finances, has also increasingly encouraged them to operate on commercial lines as private firms do, with all the risks involved. That is

especially true of Renault, which is run exactly like a private company; the state has intervened in its commercial policy, even though it owns all the capital and appoints the management.

If we look at the French Government's relations with private industry, we must look back to a tradition of state planning that began with Colbert. The private capital market has always been fairly weak in France and, in the nineteenth century, many big firms leaned heavily on the state for their funding. Then in 1946 came the plan, created by Jean Monnet, which out of the wreckage of war managed to build up a new trust and sense of partnership between the state and the private sector, and to induce a new pragmatism. The plan has always been indicative and voluntary, not compulsory, but most firms have cooperated with it, if only because in the early post-war years they had little choice. Lacking other finance, they had to depend on the state.

The plan's influence, formerly great, has waned in the past 10 years. Not only has continuity of government since 1958 made the plan less valuable; but the opening of the French economy to world markets has rendered this kind of national planning less feasible, while the recent modest growth of the Paris financial market has given firms new outlets for their funding and hence more sense of independence. Today the state still uses the plan for its own sector, especially for regional and social development, and public works, but private industry no longer follows its production targets so conscientiously.

Nevertheless, links between the state and private firms remain many and subtle. The plan has left a legacy of regular informal contact between the two, that is strongly stimulated by the French elitist educational system. Far more than in Britain, leaders of private or public firms, of banks and government departments, all come from the same precise background — one or other Grandes Ecoles and the Grand Corps that they feed — and there is a constant *esprit de corps*.

An inspector *des finances* at the French Embassy in London, said: "Top civil servants are much closer to business and industry than in Britain, they visit factories all over the nation far more than their opposite numbers do, and are often appointed as non-executive directors of state-owned firms. They remain *technocrats*, but also have a real understanding of the world of business and industry. That is an aspect of the French concept of *patronage*, or state responsibility, that many senior civil servants feel keenly."

Such purely personal *old-boy* networks, more than any other factor, explain the closeness of industry-state liaison. There are financial factors, too. The Ministry of Finance has a great deal of formal power. A firm must seek its authorization in many matters where this would be unnecessary in Britain. Many firms rely on state purchases, more so than in less centralized Britain. The state controls many of the leading financial institutions, not only the main insurance companies, which are smaller than in

Britain, but credit bodies such as the powerful *Caisse des Dépôts*, and the three biggest banks, which account for 70 per cent of French banking.

The position of these banks is equivocal. On one hand, the Government has encouraged them to behave like private banks, without interference in their daily running. Yet, if they step out of line, they may get slapped down. The chairman of *Crédit Lyonnais*, M. François Bloch-Lainé, was dismissed recently on M. Giscard's orders, partly because he had not followed the credit squeeze guidelines. So it is not easy to tell how far these banks truly have their own policies or how far they are tools of Government planning. One clue is that at the top level of the economy there is such an intermeshing of relationships and pressures that it is hard to tell which are the state's interests and initiatives and which are private.

Private industry resents this *étatisme* much less than might be expected. Perhaps it has grown to accept it, or else it sees the advantages of state guidance and protection. At the Paronnet, the organization which represents management, it was told: "It is not true that the state tells us what to do. The association is a voluntary one, of mutual confidence, and generally we trust the administration, whose economic policies tend to be far-sighted."

At the Ministry of Finance I was told: "The problem is not so much state interference as the converse, that most firms, like most Frenchmen, expect too much from the state. They come running to us to solve their problems. They have an exaggerated faith in what we can do for them and should learn to help themselves more." This is a commonly expressed view.

The state operates an elaborate system of loans and other aids for industry and has extended them to deal with the present recession. Citroën, when it closed last year, received a 1,000m franc loan. Then a year ago a new high-level inter-ministerial committee was set up, chaired by the Minister of Finance, with the task of acting around to shore up firms facing bankruptcy in the crisis. It sometimes offers loans, but more often casts about to find a private buyer or some other solution to save the firm. It is not always successful, but claims to have saved about 100,000 jobs in 1975.

This is a current example of active state involvement in the private sector. But there is no ideology involved, no state interventionism, as such. It is not always successful, but claims to have saved about 100,000 jobs in 1975.

There is a continuing tradition in France of the state as entrepreneur, as originator of bold schemes, especially regional ones, of a kind that in Britain might be undertaken more locally or haphazardly. Private industry follows the state's lead. Such leadership may sometimes put a damper on private initiative, but it continues to serve France well. The secret is that the state manages to exercise its service mission of the right quality and imagination to operate it.

John Ardagh



A Citroën draws attention in a Paris showroom but 1975 has been a disappointing year for the car industry.

## Motors

### Sales hit by strength of currency

The French motor industry has weathered the energy crisis and economic recession better than most during the past two years, though this can be little comfort to manufacturers with production and demand running well below the peak levels of 1973 and no sign yet that the market is about to pick up.

The effects of the slump were felt later in France than elsewhere, partly because petrol prices rose less severely and partly because the small and economical French cars were well suited to the new motoring climate. Although the domestic market in 1974 was 14 per cent smaller (compared with 24 per cent in Britain), exports remained buoyant and production was only 5 per cent down on the record total of the previous year.

This only makes the industry's performance in 1975 all the more disappointing. Not only has the home market declined still further but motor sales abroad have fallen off as the strength of the franc makes them less competitive.

Even Renault, the biggest manufacturer, is expecting one of its rare losses this year, largely because of strikes and poor results from its truck subsidiaries, Berliet (lately acquired from Citroën) and Saviem, than inability to sell its cars. In 1974, Renault was one of the few car companies in the world to increase production. It pushed up its share of the French market by 20 per cent and its sales elsewhere in Europe by 10 per cent. By the end of the year it had ended Fiat's long reign as the best-selling car in the European Economic Community.

A crippling 10-week strike at the Le Mans factory, and other damaging disputes, have produced a different picture this year. With production down, Renault has not only lost sales at home, taking 32 per cent of the market compared with 36 per cent in 1974, but has been unable to take advantage of the recovery in West Germany because of long delivery delays for popular models like the R12 and R16.

The other French manufacturers have taken advantage of Renault's misfortune to record a slight increase in their market share this year, with Peugeot and Citroën hitting about 19 per cent and Chrysler France (Simca) up to 9 per cent.

The biggest gains, however, have been made by the importers, who took 20.5 per cent of the market in the first eight months of 1975 compared with just under 18 per cent during the previous year. However, the French motorist has stayed much more loyal to the home product than his counterpart in Britain, where imports now account for a third of new car sales.

The most important consequence of the oil crisis was to hasten a big restructuring of the French motor industry, with Citroën losing its truck company, Berliet, to Renault, and its car division to Peugeot. Citroën had been in financial difficulties for some years.

It made some of the most advanced cars in the world but this technical flair was not matched in its finance and marketing. The range comprised small cars like the 2CV and GS, which made little money, and the aging D series which proved to be one of the biggest victims of the energy crisis. The company had no model in the important medium sector.

Peugeot may have lacked Citroën's engineering wizardry but it built cars of high quality, and more to the point, turned in a consistent profit. It soon became clear that the merger was a takeover, with Peugeot men

moving into the key management posts. They were too late to prevent another huge loss — more than £110m — in 1974, and it remains to be seen whether Peugeot's financial discipline, together with a hefty injection of government funds, can pull Citroën through.

It is expected that Peugeot will become the majority shareholder in the early part of next year, though there is an escape clause if Peugeot should feel that the enterprise is impossible. If Peugeot backed out, it would be up to the French Government either to buy Citroën or let it die. Even if the merger goes ahead, it would seem to make little economic sense for the two companies to continue with ranges of directly competing models.

Meanwhile, Citroën's new two-litre saloon, the CX, launched in the summer of 1974 as a replacement for the D series, is selling well and could help to pull the company round. Voted car of the year by a large majority over the nearest rival, the CX is strikingly styled in the mould of the Maserati-engined SM (which has since ceased production), has an intriguingly futuristic dashboard and has carried over from its predecessor the brilliant braking and suspension systems. Estate and diesel versions have recently been added to the range.

Renault and Peugeot have both launched important new models this year, sharing the V6 2.7-litre engine which they jointly developed with Volvo of Sweden. The cars are the biggest produced by each company since the war and, although their introduction could have been better timed, they were planned long before the oil crisis.

The Peugeot 604 is a large, roomy saloon, slightly old-fashioned in its styling, and bidding to become the French Mercedes. The Renault 30 is slightly smaller, with a useful fifth door at the back and the engine driving the front wheels. Both cars are characteristic of the companies that made them.

The smallest of the French manufacturers, Simca, doubled its production in the six years up to 1973 and, unlike the Chrysler operation in Britain, it had been consistently profitable.

The slump in the European car market has made things more difficult for Simca, particularly as it depended on exports for 60 per cent of its sales.

Peter Waymark  
Motoring Correspondent

## Steel

### Heavy cuts planned to lighten debt burden

France's steelmakers are experiencing the worst year that many of them can remember and unless passive measures are taken to soften the impact of the crisis, the next few months could see massive rescue bids being launched.

The French steel industry, like the steel industry throughout the world, has been hit by the drop in demand. There is every likelihood that the depression will last until next year, although the optimists are confident that by the second half of 1976 demand should show signs of hardening.

Companies are faced with an increasingly acute problem of finding sufficient finance to tide them over a period of consistent loss-making caused by falling prices and almost no demand.

Two of the country's biggest steelmaking companies, Usinor and Sacilor, reflect the parlous state of the French industry. In the first six months of 1974, when demand for steel throughout Europe was strong, Usinor produced a profit of 757m francs and Sacilor a profit of 422m francs over the same period. But in the first half of this year those profits had been transformed into huge losses with Usinor announcing a loss of 370m francs and Sacilor a loss of 330m francs.

Production, too, has suffered in the recession. Most of the industry's 150,000 workers are working a reduced week, capacity use is running at about 60 per cent of normal and orders are 30 per cent down on a year ago.

Reflecting the overall European trend, production has dropped sharply. Last year the French industry produced slightly more than 27 million tonnes of raw steel. In the first nine months of this year, output fell by nearly 19 per cent (on levels achieved in the corresponding period of last year) to a total of 16,200,000 tonnes. Total production for the year is expected to amount to about 22 million tonnes.

Investment by the French

industry has been on a rising trend in recent years although last year saw a reversal of the trend with spending down by nearly 25 per cent from the 1973 total of nearly 5,400m francs. This year new investment is expected to total about 3,000m francs.

Until recently, aided by substantial investments in modern steelworking facilities, the French steelmakers were able to claim better productivity performances and lower overall costs, enabling the industry to weather the present recession.

The situation has now changed. At the end of last month, the president of the *Chambre Syndicale de la Sidérurgie Française*, M. Jacques Ferry gave a warning that the prolonged recession would force the French industry to postpone major capital investment projects. The industry's main preoccupation, he said, was to lighten the burden of its heavy indebtedness and to digest the consequences of the present crisis.

One of the casualties of the investment cutback will be the expansion through secondary development of the Fos steelmaking complex near Marseilles. On the basis of original plans, the plant's capacity was to have been doubled to seven million tonnes annually by 1979.

## Special steels plant

The main steelmaking development at Fos has been undertaken by the Usinor subsidiary of Wendel-Sidérurgie with a 7 per cent involvement by the West German Thyssen group. Production in its first year of operation was scheduled to be 3,500,000 tonnes although the plant, which boasts the longest hot rolling mill in the world, could be developed to produce between 15 million and 20 million tonnes of steel annually by the end of this century.

At Fos too the special steels company, *Ugine Aciér*, has established a special steels plant with a first phase production capacity of 200,000 tonnes.

At the moment the Fos complex is operating at about half its total capacity and, in the light of the present crisis and of the new conditions arising from the changed energy position, the second stage of the complex is not expected to be commissioned before 1980-82 at the earliest. Earlier this

year M. Ferry had been predicting confidently that the second stage of development at Fos — taking three to four years to build and costing about 12,000m francs — might be completed by 1979. The fact that it will not is a severe blow to the industry's confidence and ability to meet returning demand.

Under the French Government's sixth plan other major developments in the steel industry, apart from Fos, have involved the doubling of capacity at the Usinor plant at Dunkerque from four million tonnes annually and the further rationalization of the industry in the Lorraine so that by the end of this year the industry's theoretical capacity would amount to about 33 million tonnes.

The French industry's major problem is the financing of its already substantial debt burden at a time when demand for its products, at home and in export markets, is almost non-existent. According to M. Ferry, this year the industry will have borrowed 2,100m francs with 300m in dollars and European units of account compared with 1,150m francs, including 280m in foreign currency last year.

But the president of the steel industry federation has denied reports that the French Government is already involved in a substantial bail-out exercise on steel companies. He said that the steel industry's indebtedness to the Government amounted to some 5,600m francs, which represented about 19 per cent of the industry's total indebtedness. So far some 1,800m francs has been repaid.

Because of their desperate financial situation the French steelmakers, led by M. Ferry, have in recent months been at the forefront of a campaign directed at the EEC Commission in Brussels. M. Ferry and the French steel industry want the Commission to activate article 58 of the Treaty of Paris (the legislation which is the framework for the administration of the European Coal and Steel Community) which would usher in a state of "manifest crisis" throughout the European steel industry.

These powers have never been activated by the Commission in the past. They would involve production quotas, controls on imports and controls on prices, but so far the Commission has turned its face against implementing the provisions although some other measures to alleviate the crisis may be taken, largely as a result of French persistence.

Peter Hill

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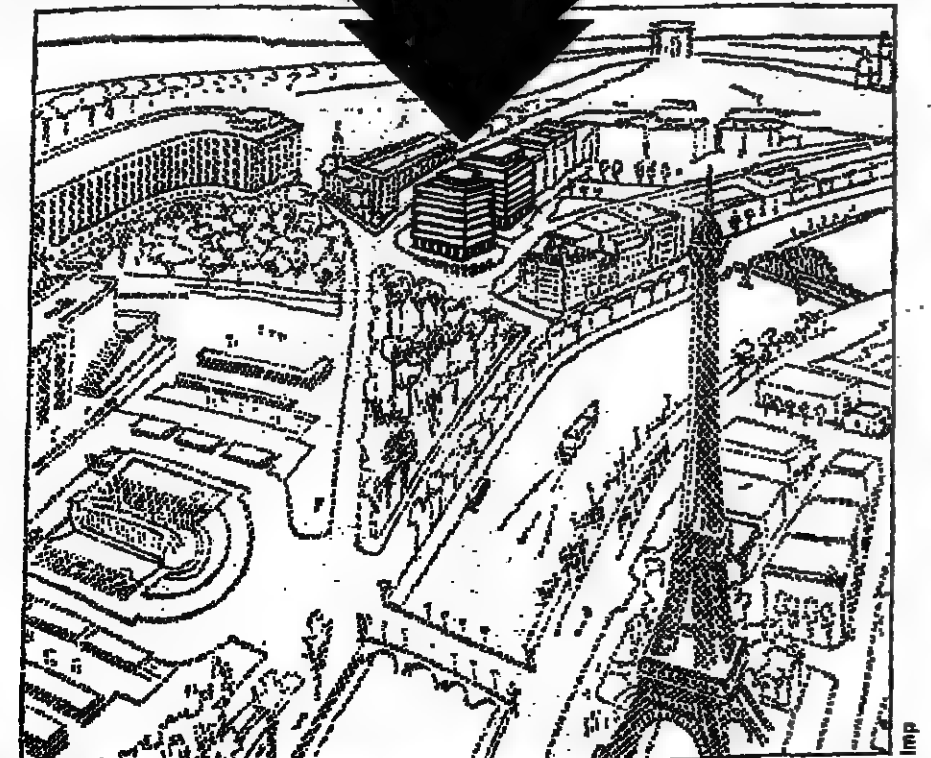
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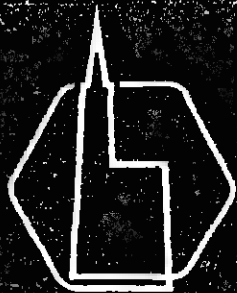
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## Electronics

## Gap to fill in computer industry

In a controversial set of manoeuvres involving the French Government and an American automation group, companies such as Compagnie Générale d'Electricité and the Thomson-Brandt group are trying to reshape the computer sector of the French electronics industry.

Two elements of the sector are involved. One is the mainframe computer business, the world of the medium-scale and large general purpose data-processing systems. Here the world market is dominated by American companies and in particular by International Business Machines.

A French attempt to create a national mainframe computer company, Compagnie Internationale pour l'Informatique, proved an expensive failure, hence the present manoeuvring to fill the gap.

The second element is the increasingly important world of the mini-computer and peripheral equipment (input and output devices and the like). Now that telecommunications are an integral part of computing, these units have become significant both as substantial markets and as the key to new operational systems of distributed computing networks.

After protracted negotiations, the proposed deal to enable France to recover from the mainframe sector failure of CII was announced last May. Essentially, this amounted to a merger between CII and Honeywell Bull, which is 66 per cent owned by Honeywell Information Systems, of Minneapolis and 34 per cent by Compagnie Machines Bull.

French interests—the Government and Compagnie Générale d'Electricité, a main shareholder in CII—were to hold a 53 per cent stake in the new organization, which was to be called Compagnie

Internationale pour l'Informatique (CII-Honeywell Bull). The remaining 47 per cent would be held by Honeywell.

As part of the transaction, Honeywell would receive about 560m (about £30m) in cash, resulting from the purchase of 19 per cent of the capital of Honeywell Bull by CGE and the French Government.

Financial support for the first four years of the merged operation would be provided by the French Government. A "unified product line" would be offered and research and development would be shared.

In the Honeywell announcement of the proposed merger, the final sentence read: "CII's manufacturing plant in Toulouse, France, and its current military, business and mini-computer business would not be included in the new company."

That sentence has since led to great difficulties and delays in implementing the agreement.

The Toulouse plant, it was envisaged, would be taken over by Thomson-CSF (the other main shareholder in CII) and would continue to manufacture mini-computers, military systems, and CII mainframes on a sub-contract basis. But the prospects of the plant operating profitably are dim, and Thomson has demanded state aid (not yet promised) before agreeing to the takeover.

Another aspect of the Honeywell/CII affair has involved the Unidata collaboration, in which CII, Siemens of Germany and Philips of the Netherlands. The association was intended to develop into a European computer company which would compete effectively with the big American corporations.

Unidata was in trouble before the Honeywell/CII deal emerged, but the near takeover of the French national computer enterprise by an American company has threatened the collapse of the three-nation scheme.

In May, the main parties to the Honeywell/CII agreement were hoping that contracts would be signed and the new company would be in business "by the early autumn" of this year. Last month Mr Edson Spencer,

Honeywell president, admitted that "by the end of the first quarter of 1976" would be more realistic.

In addition to Thomson's troubles over the Toulouse factory, difficulty in evaluating the existing CII assets has apparently delayed the proposed merger with Honeywell. It was reported from Paris recently that CII's losses might be as high as 600m francs (about £36m).

Losses in 1974 amounted to 55m francs.

As the politically controversial Franco-American mainframe deal moves slowly towards completion, the switch to peripheral equipment, the mini-computer and peripheral-unit sector of the market. M. Michel d'Ornano, the French Minister of Industry, suggested recently that the large number of small companies in the sector should coalesce into two or three substantial organizations, which would be better able to compete internationally. He indicated that substantial state aid would be forthcoming.

CGE and Thomson-Brandt, former partners in CII, are clearly aiming to head prospective groups in the mini-peripheral area. Thomson is negotiating with La Télémeccanique, a French subsidiary of the French subsidiary of Computer Sciences Corporation of the United States.

As a reply to the Thomson Télémeccanique move, a CGE group company last month announced a link of its own. The CGE company is Société Tracta, a subsidiary of data processing terminals, and the link was the acquisition of 16.5 per cent of the capital of Société Sintra, which makes a wide range of electronic equipment.

This time of transition for the computer sector of the French electronics industry coincides with determined attempts by the European Commission in Brussels to build up a truly European computer industry in the face of the existing American dominance.

Kenneth Owen  
Technology Correspondent

## Offshore equipment

## North Sea rewards experience

A policy adopted about 20 years ago by the French Government is the foundation of present French industry in the North Sea. What the British Government is doing now—consciously fostering a supply industry to back up an adolescent offshore oil and gas industry—the French started in the 1950s.

And the resulting high level of technical knowledge is being exported as well as taking a strong hold in the North Sea. Exploration on land in France, particularly for gas, followed by exploration off the west coast of Africa, Indonesia, the Persian Gulf, Australia, the Gulf of Gascony and Lyons, and so on, was the basis on which the French Government, through the state-controlled oil companies subsidised French companies to create a strong and technically oriented supply industry.

The experience, which has taken 20 years to build up, is reaping its rewards in the North Sea.

For instance, C. G. Doris, based in Paris, had the experience to design the first concrete structure for the North Sea, the storage tank for Philippe Ekofisk field. The revolutionary Jarlam wall—a perforated concrete base which reduces the wave force on offshore structures—developed for the Ekofisk tank is now an inte-

gral part of all Doris platform designs.

The company has also designed a mud anchor that has been successfully used by BP's rig Sequester in soft mud and is experimenting with a pipelaying technique involving 1,000 metre welded pipes which are towed out for laying.

Steel structures for the North Sea are being built along the north French coast. At Dunkirk Compagnie Française d'Entreprises Métalliques (CFEM) is making steel jackets and Constructions Métalliques de Provence is building modules. At Saint Wandrille, near Le Havre, and at Cherbourg Union Industrielle et d'Entreprises (UIE) is constructing steel jackets of up to 10,000 tonnes.

CFEM, with its subsidiary Entreprise d'Equipements Mécaniques et Hydrauliques, developed the articulated tower design first experimented with by Elf in the Bay of Biscay at the end of the 1960s.

As a sequel to Elf's prototype, Elf-Océan (which has been retrieved from the Bay of Biscay after three years of tests) three articulated towers have been floated into the North Sea this summer. The Brent and Frigg fields each have an articulated flare installed and Mobil has installed a tower as a deep-water crude transfer terminal on the Beryl field in nearly 400ft of water.

At the moment CFEM is constructing six semi-submersible rigs, all Pentagones, the first of which is due to be delivered at the end of this year, as well as fabrications for Redpath Dorman Long's platform site at Mobil and two exposed location jack-up rigs.

In a joint venture with the

government research body, Institut Français du Pétrole, and the drilling company, Foramer, CFEM has also been developing for the past two years a dynamically positioned semi-submersible rig called Dyposemi. Orders for it are still awaited.

A rig similar to Dyposemi, called Dypacaz, is being worked on by France's other large drilling contractor Forex-Neptune.

Reflecting France's past policies of establishing a favoured position in the Arab world and elsewhere, platforms are also constructed outside France. For instance, Société GTM pour les Travaux Pétroliers (ETPM) has fabricated and installed at least one platform off Turkey, six off Dubai, 11 off Iran, 11 off Gabon and 21 off the Congo.

The export of French knowledge has in some cases led to the egg becoming bigger than the chicken. With more than a third of the divers in the North Sea employed by the British offshoot of the French diving firm Comex, the British side of the company now in effect controls the company's operational policy. Comex in France is more concerned with research and equipment development and has no direct involvement in the North Sea.

France has its stake in the drilling in the North Sea through Forex Neptune and Foramer. Foramer, along with Doris and a subsidiary of Total, developed the drillship Pelican which was built in Rotterdam. French equipment is also destined for the sister ships Petrel and Faleria.

The French have been working in the North Sea from the start. CFEM designed the original Pentagone 81 rig in 1964 and in

the same year undertook a design contract for several types of offshore platforms. Flopetrol tested the wells in the Groningen gas field in Holland in that year, and has since tested more than half the wells drilled in the North Sea.

There are fears within the French supply industry about the future of the North Sea market. Last year the industry earned an estimated 3,000m francs from offshore effort. One prominent industry spokesman recently reckoned that the French have probably captured a drop in a quarter of the North Sea market.

However, the recent letter from Britain's Secretary of State for Energy, Mr William Whitfield, to the oil companies operating in the North Sea, outlining his expectation of favourable treatment for British companies, is apparently having an effect.

Platform constructors on the other side of the Channel are becoming increasingly concerned about orders for the platform area that have been set by already pressure from the British Offshore Supplies Office has apparently meant a drop in orders from the British sector for French companies.

There is little comfort in the moment for the French industry in looking at France's own offshore exploration efforts in the Mediterranean. It was only in April that the French Government issued the first licences for the area, even though the offshore boundaries between France and Britain are still in dispute. Drilling started in June.

David Whitfield  
technical editor  
The Oilman



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## Concorde Working well together

Unlike its British partner in the development of Concorde, France has never had any real doubt over whether it should stick with the project. When its national airline takes off with paying passengers for the first time on January 21, it will be the climax to 13 years' work.

To the chagrin of the British, France has made the running on many occasions in the long history of the project. It was a French test pilot, M. André Turcat, at the controls which made the maiden flight five years ago.

If there had not been an agreement between the two governments that both national airlines should start commercial services on the same day, Air France would have beaten British Airways into the civil aviation super-sonic era by several weeks.

Technically, the collaboration which has produced this highly advanced 1,350 mph aircraft has worked extremely well, despite the differences in language, technological philosophies and systems of measurement, plus the fact that the two manufacturing centres are hundreds of miles apart.

Over the 12 years since the Concorde deal was signed by the French and British governments, there have been crises in the technical sector, but in general the technicians from either side of the Channel have learned to live with and respect each other.

There remains a certain amount of feeling within the British aerospace industry that the French have siphoned off through the Concorde project British skills which they are using in other programmes which will eventually produce aircraft to compete in world markets with British products.

Others in the British industry are prepared to accept that there has been a genuine exchange of skills and that Britain has probably learned more French secrets. More important, the Concorde project has laid a foundation for a truly European aircraft industry of the type which the Community has been promoting in a recent programme.

The French Government has never questioned the rightness of being involved in the Concorde project, even as it watched the cost rising from the original £120m to the present £1,000m. Concorde has always been a symbol of national glory, an indication that France was forging ahead technologically.

Air France has contracted to buy four Concordes for the opening of the super-sonic services. It has had them painted in new and striking liveries—all white with a red, white and blue flash on the tail—and plans to operate them between Charles de Gaulle airport, Paris, and Rio de Janeiro initially, and later, depending on route rights being obtained, in New York, Wash-

ington, Beirut, Caracas, and Tokyo.

The French Concorde will cover the Paris-Rio route in seven hours, including a 50-minute refuelling stop at Dakar, West Africa, compared with the 11 hours and 10 minutes taken by the non-stop, subsonic Boeing 747.

The first leg of the Concorde service will take three hours, two at super-sonic speeds—the flight will be subsonic across Europe so that there will be no over-land supersonic boom. The second leg of three hours and 10 minutes will include two hours and 25 minutes of super-sonic flight across the Atlantic.

Like British Airways, which begins its commercial Concorde service on January 21 to Bahrain, the route which Air France really wants is that to New York. But both airlines remain uncertain whether they will be allowed to land and take off there in the face of warnings from the noise pollution which the super-sonic airliner produces.

If it does obtain permission, Air France plans a daily service at first, increasing to twice daily later on, with a flight time of only three hours and 40 minutes, compared with the subsonic jet time of seven hours and 55 minutes.

Air France appreciated early in its planning the importance to passengers, the majority of them businessmen, of keeping Concorde services on time. To that end, technicians from the French airframe and engine manufacturers will be permanently based at the airline's engineering centre, room ready to advise or rectify troubles that crop up anywhere in the world.

A great deal of planning has also gone into the speeding of passengers on the ground at either end of their super-sonic flight. At Charles de Gaulle airport, Air France has installed special Concorde check-in desks and has set aside a lounge area for business passengers can wait before boarding. The area will contain a number of business aids, including a telex and currency exchanges.

Concorde passengers will be asked to check in only 20 minutes before departure but latecomers will be taken up to eight minutes before the doors of the aircraft are closed. Baggage should be delivered after landing in as little as 12 minutes, and certainly no more than 20 minutes.

Air France's services out of Charles de Gaulle have been timed to connect with incoming flights from the leading European business centres, including London, Milan, Frankfurt, Düsseldorf, Munich, Stuttgart, Cologne and Nice. Businessmen arriving from Geneva, Zurich and Amsterdam for the super-sonic service to Rio will have over two hours to wait, but the airline's new policy is that the long-distance traveller will accept this sort of interval, if the seating is good and the welcome friendly.

The airline predicts that Concorde passengers will be people for whom time is essential—lawyers, doctors, ministers, government officials, bankers and industrialists.

Arthur Reed  
Air Correspondent



Château Chambord. To the right is Porte Royale, the visitors' entrance.

## Tourism

## Holiday at home policy heeded

Despite the recession, more than half the French population took holidays away from home this summer. Twenty-six million of them, 600,000 more than last year, including two out of three town dwellers and three out of four Parisians, travelled an average distance of 500 km from their homes; 80 per cent went in the family car.

Exhorted by the government and influenced by the recession, a higher proportion than last year took their holidays in France. Therefore, the profits stayed at home, which no doubt pleased M. Fourcade, the Finance Minister. But no one is happy that most French people take their holidays during the six weeks between Bastille Day and the end of August.

As every year, concentrating the holiday within such a short period puts an intense strain on resources. Roads, hotels, beaches and bars become crowded to the point where holidaymakers must feel the strain: the service staff certainly do. French railways work miracles in supplying extra trains.

Although the Charles de Gaulle airport is in full operation, there are still summer crowds at Orly as foreigners pour in to swell the throngs, unaware that they would find an easier welcome during any of the other 46 weeks of the year.

This exodus has developed into a French tradition partly because all French workers enjoy a month's annual leave paid by their employers; even more because many French companies close for the whole of August, against economic logic, and cause many ancillary services to close also. Workers who would prefer to take their holidays at some other time, or to divide them up, find they have no choice.

Nobody has estimated the loss to the economy from these factory closures; but every autumn the Parliament makes a ritual lament and discusses ways to improve matters. President Giscard's cabinet has decided to study the difficulty in depth; but reducing the official days of leave is naturally out of the question.

Indeed, the tendency is all the other way: town dwellers also escape during these holiday weeks as Mardi Gras; Whitson; Halloween. Many middle-class families enjoy at least a week in the mountains for winter sports, although this autumn tourist agencies have

told me that ski bookings are sluggish.

As the natives leave Paris in the summer, tourists pour in. Four million foreigners arrive every year, and the French claim that Paris is the world's greatest tourist city. The past few years have seen a spate of new buildings, most of them three-storey and four-storey hotels for transient visitors. They are built to American standards of comfort, although the golden age of American tourism seems to have passed.

The West Germans are now France's most numerous and most profitable visitors. They alone provided 18.7 per cent of the total income from tourism last year. Britain comes second with 13.8 per cent, Belgium third with 12.6 and the United States only fourth with 11.3 per cent last year.

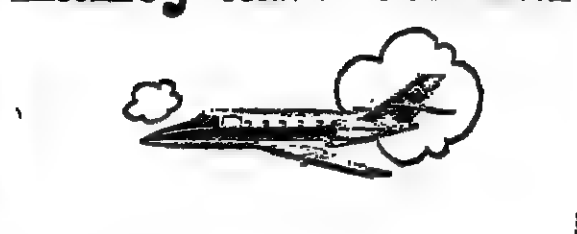
In 1974 West Germany had a tourist deficit of 21,200m francs. According to French tourist ministry sources, Herr Schmidt, the West German Chancellor, does not mind this as he believes the money returns later in foreign orders for German goods. France plans to take the same view when the time comes; and it may come soon.

Tourism brought France 192m francs net income in 1973 and 1,566m francs in 1972 but only 761m francs last year. It is expected that 1975 will show a slight profit, but France is prepared to face the possibility of a net loss in future years. One reason is that French spending abroad has risen considerably.

Although less than a fifth of all French holidaymakers went abroad this year, France has climbed to third position for tourist spending abroad among countries of the Organisation for European

continued on facing page

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## Worries over Languedoc wine

Wine and tourism, especially wine, are the two main industries of the Languedoc-Roussillon region of southern France, and both have been in the headlines recently. While a British firm has announced plans for building a nudist camp near Perpignan, wine-growers throughout the region have been demonstrating violently against cheap Italian wine imports.

The region produces 40 per cent of all French wine, and 12 per cent of the world's wine. In some areas, agriculture is sensibly diversified, notably in the fertile plain around Perpignan, and in the east of the Languedoc towards Nîmes where there are large and prosperous fruit and vegetable farms, irrigated by a canal built in the 1960s. But on the stony hills that rise gently behind Béziers and Montpellier, the smallholders depend precariously on their monoculture: the wine.

They are always aggressive in defending their interests, for instance, against the Government's anti-alcohol campaigns. "Posteur says, wine is the healthiest of drinks," shout their posters by the roadsides, or "Water is polluted: drink wine." And the picture shows a boy polluting the water, as little boys do.

Over-production of low-quality wine is the region's problem. Very cheap imported wines from Spain, Algeria and Italy particularly undercut the local producers, forcing prices down and leaving them with large unsold stocks, especially when there is a bumper harvest, as has happened in recent years.

It was against this situation that the growers protested royally this summer. They occupied Perpignan cathedral as a gesture of peasant revolt: they even raised the Occitan flag over the building, in solidarity with the canny, half-hearted local separatist movement. Then they proceeded to disrupt the tourist trade by blocking out all signposts, while at the same

time wooing the infuriated tourists by selling them wine at about a franc a bottle.

The growers' lobby is so powerful that the Government, especially scared of social unrest in this period of economic crisis, yielded to their demands by flouting EEC rules; in September it put import duties on Italian wines.

This will bring France before the EEC Court of Justice but will not solve the real problem, which is how to reduce local production. Some 15 years ago there was a campaign to persuade farmers to uproot their vines and plant fruit-trees, but this proved expensive and impracticable, and produced only marginal results. Then there was a campaign to replant new and better vines to assist five farmers an acre, while the others were left to go for quality rather than quantity. This has had more success. A far greater percentage of local produce can now be sold at appellation or VDQS than 20 years ago, and some of the better local wines—corbières, minervois, clairette du Languedoc, Côtes du Roussillon, and others—are selling well in France and abroad. The British public is now getting to know these pleasant wines, which often give better value than the big names.

However, the basic economic issue is this. Under French rules, vines producing appellation or VDQS wines are limited to an output of 20 hectolitres an acre, whereas for vines courants there is no limitation and output can easily rise to 80 hectolitres an acre. Yet the price differential can be as little as 20 per cent for the product, while the latter retains an incentive to go on producing a lot of cheap and unmarketable plonk.

The Government guarantees sales for this, if necessary buying it for distillation. It seems that the Government solution until the Government finds the courage to put restrictions on output or to increase differentials. Politically this may not be

possible until the old generation of farmers has died away.

The other major industry, tourism, is not facing such problems, despite the shadows cast by the energy crisis. The massive programme for building nine new resorts along this coast, with a total of 280,000 beds, is going ahead only a little behind schedule. Some resorts are not yet completed, but some have been in operation for several years, notably La Grande Motte with its notorious pyramid blocks. The number of visitors to the coast is rising fast: only 500,000 in 1965, it was 1,400,000 in 1974 and 1,640,000 this year.

Foreign investors have shown increasing interest in this development. The Dutch are building a 2,700-bed complex near Perpignan. The pleasure-ship Lydia, berthed on the beach at Port-Barcarès and now used as a casino and leisure centre, has been bought by a Japanese supermarket consortium which is also building a large hotel to be called, suitably, The Rising Sun.

The British, too, are seeing their claim to a share of this new Mediterranean playground. At La Grande Motte, there are already British-owned villas, to be called by the name of St. Cyprien, near Perpignan. Scottish and Newcastle breweries are completing an 18-hole golf course costing £100,000, and a swimming-pool, and adjacent villas for sale.

Near Perpignan the British are developing a £5,500,000 nudist resort, with 500 bungalows, marina for 300 boats, discotheque and swimming-pool, and a first phase will be ready for next summer. "Nudism is a growth industry," said the architect. Most of the clients are expected to be French and German, rather than British. As one was pointed out, it is not very logical: it is the French and German who can still afford to buy clothes.

I drove recently through a small town in central France whose entry signpost announced its attractions, in the French manner: *Viticulture, Châteaux, sa piscine chauffée municipale, ses zones industrielles, son esplanade XIIIe siècle.*

I thought this was a significant, almost symbolic new order of priorities. For the French today seem to be putting even more emphasis on modern amenities and environment than on the industrialization that has obsessed them since the war, or on their cherished historical heritage. Their attitudes to new building and infrastructure have changed in the past two or three years. As an official told me, "We are growing tired of modern, yes, but we also want... and we produce the inevitable 'quality of life' slogan."

The French are entering a new phase. In the postwar decades and until recently they concentrated their energy

to being won, and France is now a more modern country, than Britain, in many ways. The renewal has been helped by the country's sheer size and low population density, compared with its EEC neighbours. This gives room for imaginative expansion on a grand scale—or so it is often claimed.

However, in the past few years alarm bells have been ringing. The French seem suddenly to have woken to the fact that there is not in definite room for mammoth projects and that, despite centralized planning, cities and city centres are in danger. In 1972/73 President Pompidou came under widespread criticism for his indulgent attitude to new Paris skyscrapers, and the feeling grew generally in France that the official vision for an America-style "gigantisme" was going too far.

The coming to power last year of a new President with a new outlook has coincided with this shift in public feeling. President Giscard is known to care seriously about the environment and what he has called "the need for a more human type of growth". He has said: "For the nation that we are today, city-dwellers uprooted from our rural origins, to be modern and to be able to stroll on foot."

So two separate objectives are being pursued. The modernization of the public services, far from complete and very necessary, is going ahead. Parallel with it goes the new emphasis on environment, not only on conserving what exists but on new urban planning. The aim is to harmonize two objectives that may sometimes be incompatible.

In the public service sector there is still an accent on new buildings. In what has become a stuporously anti-car, a planner told me: "We must certainly do more to keep cars out of the centre of

cities, but we also need better roads between cities." After lagging behind its neighbours, France is building motorways at the rate of 500km a year, and private firms with private financing are sharing in what used to be a state monopoly.

The energy crisis will not affect projects already under way, such as the much needed Paris-Strasbourg motorway, but is likely to cause the postponement of others scheduled, such as the equally needed Bordeaux-Toulouse-Marseille link.

France's motorway record is uneven. In some areas the transformation is remarkable, notably in Provence and in greater Paris, where the Boulevard périphérique and its connecting network have made driving through this conurbation of nine million people a far easier business than it is in London. Work is now advanced on a second ringway, further out, linking such places as Versailles and Orly.

In other parts of France the absence of motorways means fearful bottlenecks on existing roads, for instance in summer on the roads into Spain. France has the best network in Europe of ordinary main roads, many of them straight and flat, and some of these are being widened into dual carriageways: but it is at the entrance to towns that the lack of motorways and by-passes causes such jams.

Transport public works are one of the priorities of the Government's latest rationing programme. There are new funds for roads, and the modernization of ports, while the planned 160thm Paris-Lyon rail link has got the go-ahead. Major new international airports have been opened: north-east of Paris (Charles de Gaulle) and at Lyons, and the suspension bridge completed this summer across the Loire estuary is the longest in the world. In short, there is still a healthy enthusiasm about this kind of public service planning in France, such a contrast with the

mood in Britain. Just look at Britain's betrayal of French faith in the Channel tunnel.

If we turn from transport to new building projects, where people are to live, work or spend their leisure, we see the other environmental side of the coin. This is especially true of the new official emphasis on preserving the coastline. After blindly allowing speculative tourist development to ruin parts of the coast of Provence and the Vendée the Government has now become worried. Belatedly, it has set up a state body inspired by Britain's National Trust, with powers to prevent building on certain threatened stretches of coast. Perhaps no longer be granted for any new private projects for marinas and multi-storey holiday flats. The gigantic nature of the state-sponsored Languedoc resorts of the late 1960s is not to be repeated in the present state scheme for developing the Aquitaine coast, where building is to be limited to three storeys and the emphasis will be on nature preservation.

When I toured the entire Atlantic coast this summer and then reported my findings to a senior government executive in Paris, he first asked anxiously: "Do you think we are doing all right? Are we succeeding?" I was about to tell him that all the new factories seemed to mark a success, when he added: "I mean, shall we manage to preserve the coast?" That is a new attitude. Five years ago, he would have asked first about the factories.

There have been similar changes in attitude towards urban development. One of President Giscard's first acts last year was to modify some new projects likely to spoil the centre of Paris. He has also tightened restrictions on speculative office building in Paris, after a recent boom that got thoroughly out of hand and, anyway, has now destroyed itself, as the kind of office buildings that were once in vogue are now over-taking us fast. Soon, it seems, every Clouetier in France will have its piscine chauffée municipale.

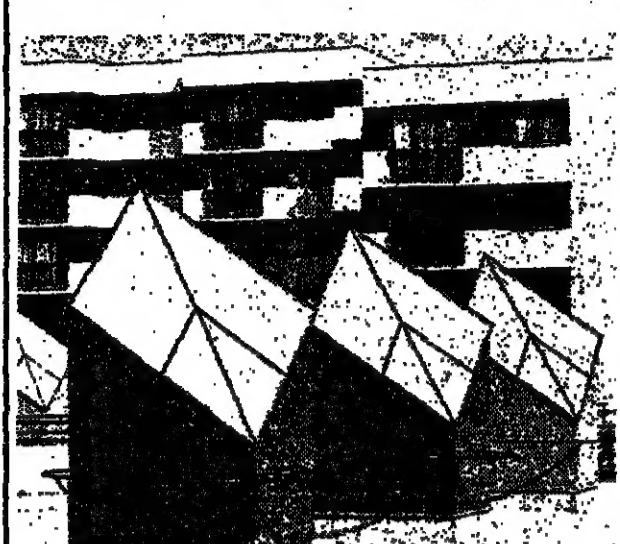
Attention is being turned to provincial cities, where the office boom is still going on. In economic terms this new building is necessary, for most cities are still short of modern office space, which has hampered the decentralization policy. A land bill before Parliament aims to limit building densities in town centres, and to empower town councils to tax speculative building and thus spend the money, it is hoped, on green spaces, amenities, and low-cost housing. Opposition from private interests is considerable.

The Gaudin policy of the 1960s, building up the largest cities such as Lyons, metropolises d'équilibre or counterweights to Paris, is now being modified. The accent is now on building up small towns, of 20,000 to 100,000 inhabitants, as counterweights to the metropolises d'équilibre. Under a new charter proposed in the later Pompidou years by M. Olivier Guichard, Minister of Equipment, some 100 smaller towns have been invited to collaborate with the state in schemes to restore their architecture and improve their environment.

Nearly all have shown interest, and 21 have so far signed contracts, including Annecy, Dieppe, Pau, Valence and Blois. The state grants for helping them with such things as creating pedestrian precincts, renovating old buildings, clearing slums, or developing new leisure or cultural centres. I visited the latter scheme in the town of Valence, where the new pattern in France, belatedly, the French are now turning their attention to the kind of welfare and environmental matters that we in Britain have always prided ourselves on—and with their eagerness, thoroughness, sense of style and largest sense of scale, they are now overtaking us fast. Soon, it seems, every Clouetier in France will have its piscine chauffée municipale.

## Coastlines and city centres in danger

by John Ardagh



A roof design at Cergy-Pontoise, a new town on the outskirts of Paris.

## Inquiry reflects volte-face in education ministry

by Margot Lyon

There is trouble in the world of French education, but it might be called a case of creative confusion. Two years ago M. Joseph Fontanet, then Minister of Education, asked parents, teachers, employers and lycée pupils what they thought of France's secondary schools. The inquiry was the first of its kind; the idea of launching it illustrates a new concern for general omniscience.

Parents and teachers said they found the educational system complex, bureaucratic and rigid, yet with frequent disconcerting changes imposed from the top. Parents found the lessons often ill-adapted to their children's needs. Lycée pupils wanted less dogmatic teaching and subject-matter more relevant to their interests and their futures. They demanded more practical work and more group projects.

They also claimed the right to hold political meetings and distribute tracts within the school grounds, whereas 87 per cent of parents said the schools should stay right out of politics. Employers found their staffs and technicians well trained in the schools, whereas skilled workers tended to be lacking in numbers and ability.

In May last year M. Fontanet was replaced by M. René Haby, appointed as a reformer by President Giscard. M. Haby's scheme for the overhaul of secondary education was approved by the National Assembly last July and should come into force in 1977. It will have no entry passage. From that time M. Haby revealed the first details of his bold "organic" law ("we will have the first real debate on education for a century," he said) teachers, parents and even lycéens have protested against it.

Largely, they are tired of the cascade of plans to reform French schooling and suspect that M. Haby's plan may be no more "organic" than its forerunners. A Socialist critic claimed in the Assembly that there have been 14 reform schemes over the last 17 years, some of them soon dropped. The present picture seems therefore an uncoordinated jigsaw. French education is still breaking out from its former mould, in which all secondary schooling was restricted to a small elite.

The lycée teacher traditionally dispensed encyclopaedic knowledge steeped in

the Greco-Roman classics to a docile middle-class audience which later faced the baccalauréat ignorant of concrete facts about the industrial world outside the schoolroom. The baccalauréat led to the university, which in turn trained future teachers. This enclosed system had scarcely changed when the postwar baby boom burst into the secondary schools—where intake increased from 652,000 in 1945 to 3,232,000 in 1974.

For too long the Government tried merely to extend the traditional system, not to change it. For children everywhere have changed. They are now influenced by the new media of radio, television and cinema; they are more independent, physically and mentally. They are open to old values and complain they are forced to swallow a dead culture that does not interest them.

The outside world too has changed and insistently demands technical skills. But the schools cannot quickly abandon "noble" fields in favour of science and technology. Paradoxically, parents also are still biased towards the old disciplines. When Recteur Capelle has called the "Mediterranean mentality," prefers white heads to white coats, especially if the latter are likely to get dirty now and then.

However, mathematics have replaced Latin as the lycée's prestige subject. This year more than half the candidates for the baccalauréat are preparing science subjects. But M. Haby wants big changes. The lycée is to be a technical school where technical training is given—the lycées techniques, the collèges d'enseignement technique, the collèges d'enseignement secondaire and others—its quality and prestige tend to be low.

M. Haby wants to upgrade technical and vocational knowledge. He also believes children are "stressed out" and that all will benefit from solid general instruction, including elementary science, until about the age of 15. Besides, this comprehensive type of school would be more democratic.

M. Haby knows more of schools than most of his predecessors. The son of a penniless widow, he was a primary teacher who passed his difficult youth in examination as an outsider. He has appointed three men to key posts in his ministry who, like him, came up the hard way.

In line with his plan to allow all young French to attain equal education and to postpone a crucial streaming that too often children face at the age of 11, he proposes from 1977 onwards to give all children five years of elementary school from the age of six; then a four-year college course replacing all the present range of secondary schooling. Only at 15 will parents and teachers decide if the child should be guided towards the lycée or towards specifically vocational training.

The scheme does not deal in detail with university entrance, but for good reason: last year President Giscard split the huge lumbering Ministry of National Education by appointing a junior Minister, M. Jean-Pierre Solson, as Secretary of State for Higher Education. Two dynamic men should evolve an administration that was certainly unwieldy and resistant to change.

But it is hard to see where in practice each of the two men's responsibilities and domains should nearly overlap. Since M. Solson's students are provided by M. Haby, and the latter gets his secondary teachers from M. Solson. Regrettably, liaison between the two departments is not cordial.

M. Solson and his university have the new troubles. As the system now stands, every lycée pupil who succeeds in the baccalauréat can claim free tuition in a university. But in spite of a generous government subsidy there are still not enough lecture rooms, hotels, libraries and laboratories to meet the demands of some 800,000 students. A compulsory high proportion drops out along the way: only one student in three finally gets his degree.

Many students take part-time jobs to help to pay their living expenses and are therefore unable to devote the time and energy to their studies, as well as the overcrowding, the anonymity and the loneliness of university life.

Unlike the British system, there is a minimum of contact with lecturers. Yet students bitterly resent any weeding out, and are constantly suspicious of hidden selection. A scheme for an easier and earlier degree course as the DEUG or Diplôme d'Etudes Universitaires Générales is opposed because it is seen as a disguised siphoning-off, though it was intended to avoid wastage among students who do not stay for the longer course which ends in the licence.

Students still produce more arts graduates than there are jobs for. The slow course might lead to work in administration, the social services, business management, and so on, but to adapt them would require more innovation and flexibility than the present set-up can supply. Teaching takes more than half the graduates; yet the ministry has said for years that the "learning world" is over-supplied.

Students are less militant these days because they work harder. A Lille director of a university residence said recently that in his establish-

ment he counted 5 per cent of negative students, 10 per cent of positive, 75 per cent indifferent and 10 per cent "classist". But on the whole students concentrate on their work because of the real fear of unemployment.

By now more of them have been guided away from literary subjects and towards the sciences. They have begun to emerge on the job market. But they will find that, however well they choose their courses and however good their degree in economics, computer science or other disciplines, they will meet powerful competition from graduates of non-university sources. The fine flower of the educational system, France's brightest and best potential leaders of society, are not retained in the university at all. They come from the grandes écoles.

These quinquennially French institutions mostly date back to the revolution and have names such as the Ecole des Mines, the Ecole Centrale des Arts et Manufactures, the Ecole Nationale Supérieure des Techniques Avancées. Supreme among them are the Polytechnique (situated near the Pantheon, but soon unwillingly to move out to suburban Palaiseau) and the Ecole Nationale d'Administration in the rue des St. Péres.

The Polytechnique was developed by Napoleon to produce top army engineers; it no longer runs the army but runs much of France. It also often includes the heads of French Railways, of Air France, of nationalized banks and private banks. The Ecole Nationale d'Administration is only 30 years old but has produced the President, his prime minister and minister of state, his finance minister and five junior ministers in the present government.

Entrance to the grandes écoles is by a ferociously competitive examination. The best lycée pupils stay on at school after getting their baccalauréat to prepare the entrance examination through a two or three year course preparatoire. Only a limited number of lycéens can supply this advanced course so that, although the course is theoretically open to all, access into it is itself difficult. Pupils may suffer if they come from the provinces, or from poorer families. Both the polytechniciens (known as X) and the recruits to the ENA (the énarques) are predominantly of solid bourgeois background, often from the Paris region.

As students, énarques get the X those of a junior officer. Both enjoy higher salaries than other graduates, as well as the secure knowledge of good jobs ahead. Their material and psychological advantages are enormous compared with those of a university graduate on a small salary or none at all, with no job security. Once inside their school they are compelled to attend lectures. Their progress is closely watched, and they are closely graded in marks that will count in the final passing-out order.

Unlike some of France's young secondary teachers, they have no quarrel with their capitalist society: their schools played leading roles in French economic recovery. Their strength is the rigour of their training, their confidence in their own abilities to run the country for the common good. Their weakness is their remoteness from the common man.



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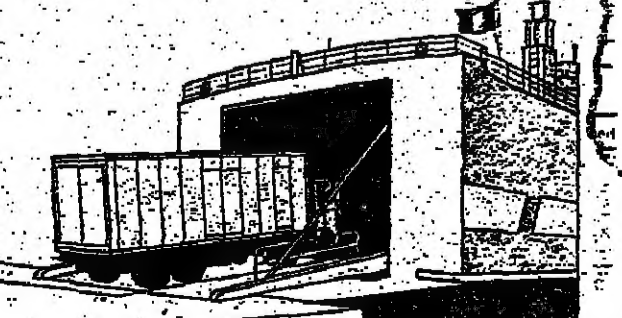
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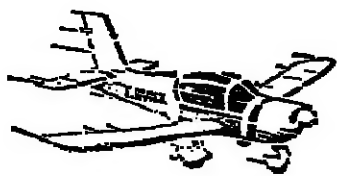




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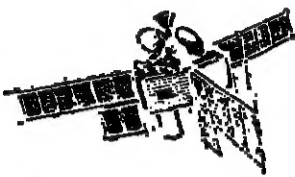


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## People's theatre takes culture to the provinces

by Garry O'Connor

In France as in England there are two attitudes to running theatres and putting on plays. The first is that the theatre is a commodity which must be invested in, bought and sold, promoted and used to make a profit on if it is to survive. The second attitude is that the theatre is a public service, a branch of education and as such must be subsidized, for only by this means can valuable work be presented which otherwise would be condemned to decay.

Independent producers, like subsidized producers, sell their shows to other theatres. The equivalent in England is called a guarantee. The price can extend from less than £300 a night for a modest production to more than £4,500 for a big production. In the *maisons de la culture* (regional arts centres) all productions are booked on this basis, and the average price is £3,500 a night (more than £1,000).

A company is an expensive luxury because union rules have stipulated that an actor must be paid a high minimum rate, to which has to be added 45 per cent social insurance and security tax. A company of a dozen actors, even at the lowest possible reckoning, could cost in the region of £40,000 a year.

As Jean Vilar has said: "You must pay actors—don't smile. I know they are not and dues, but you must pay them and pay them well—as much as possible and make life pleasant for them. If not they won't be there to act and rehearse and they'll clear out as soon as they can."

Only companies such as Ariane Mouchkine's Théâtre du Soleil can escape these stifling financial burdens by organizing themselves into a cooperative and

paying their members a small fixed rate. The principles of *maisons de la culture* were first set out in a circular issued by the drama director of the Ministry of Culture, Blasini, in the early 1960s. The year 1963 saw the opening of the first batch of such theatres, at Le Havre, Caen and Bourges in old buildings adapted to house the arts. Then followed others, purpose-built: at Amiens; Thonon; Grenoble, which was designed by the celebrated architect Wogensky; Firminy, designed by Le Corbusier; Saint-Etienne and Rennes.

The main idea behind this innovation was to bring culture to towns which previously had no organized activities and the priority in each *maison* was a theatre which could be used for concerts and films as well as for plays. The first problem with this costly new conception was to attract people to work in them and this was done through government subsidy to a theatrical company. As a result other activities came from the second place to the theatre.

Another problem resulted from the conflict in sources of income. The government subsidies as in England had no strings attached, but the authorities who also gave grants objected to the political or aesthetic stance of the work presented. Some of these authorities, notably those at Caen and Bourges, took advantage of the reaction against the student uprising in May, 1968, and dismissed their directors.

What the public is offered differs enormously from place to place and season to season. The variety and scope shown, for example, at the Comédie Française is surprising. It is possible, in a week, to see three plays by Molière, one by Marivaux, one by Molière and another modern play, as well as a Cor-

salient characteristics of French literature of the past 10 years and the present day, what does one find? First, a qualitative impoverishment in relation to the period from 1920 to 1940. It is not impossible to judge the worth of a creative period contemporaneously, and there is no denying the fact that the literature of today can boast fewer outstanding men and books than that of half a century ago. Moreover, it is still true that the greatest French writers—Aragon, Breton, Gide, Malraux, Mauriac, Proust, Turgenev—are survivors of the years between the wars.

A second striking feature is the decline of literary discussion in the press or on radio and television. The past few years have seen the demise of three main cultural publications: *Arts*, *Les Lettres Françaises*, *Le Figaro Littéraire*. The remainder are either in a permanent state of crisis or operating on a greatly reduced scale. Increasingly, book pages in the weeklies are being called into question, run down or even threatened with extinction. There are instances where the sensational, the prize of place over the serious, television, is an example of this trend, with main programmes now given over to best-sellers, documentaries and topical themes which are discussed in a matter of seconds in an interview with an author. Radio is alone in giving due attention and consideration to creative literature. For how long?

Attention must be made of the twin crises of publishing (exorbitant costs of paper) and bookshops (fierce competition between the conventional small bookshops and those run on supermarket lines). The pressures of the tougher modern commercial approach coupled with the increasing difficulty of costing a title could cause experimental literature, the literature of the future, to be sacrificed in favour of the facile successes, the commissioned or ready-made works which, it is hoped, will mean a swift return on capital investment.

Another feature which should be mentioned, although not necessarily deplored, is the politicization of literature. A study of my list of 50 authors shows that 10 could definitely be classified as being on the right, and five, even today, would describe themselves as Gaullists, while the remaining 35, without exception, are exponents of comfortable pink liberalism. This preponderance of the left, since it does not reflect national opinion with any accuracy, is engendering unease. It is leading to distressing territorialisms and indulgences.

While great works erupt in France with the suddenness of geological phenomena, where least expected, regardless of the predictions of the critics and ideological ukases, everything carried on in literary daily life as if theories, opinions, university criticism and doctrinal commitment took account of the reality of creation. Nothing is further from the truth. To be convinced of this, one need only consider a few essential works by Marguerite Yourcenar, Aragon, Julien Gracq, Albert Camus, Claude Simon or Michel Tournier. They sprang up without warning, owing their birth to total freedom.

Whatever one's misgivings about quoting names and titles, it is essential to give these observations some roots. To take the simplest approach to the problem of putting the multifarious schools, generations and influences into some kind of classification with the caveat that it should be regarded

neille or Racine, and four curtain-raisers. The organization of assembling so many teams is remarkable although in quality it can be claimed that the Comédie still leans too heavily on the names of some of its great *sociétaires*.

At the opposite end of the scale is the Théâtre de l'Est Parisien, known as the TEP, situated in an eastern suburb of Paris. The TEP was built up to its present eminence by Guy Rétoré who some years ago, as a 30-year-old amateur actor with a job in French railways, after failing twice to enter the Conservatoire, the official attaché to the Comédie Française, formed his own amateur group. This was called the Guild and at first its members acted anonymously.

Born and bred in the twentieth *arrondissement*, Guy Rétoré is a firm believer in popular theatre, and in what he calls the cultural decentralization of Paris. He pioneered this movement, starting modestly, and finally winning recognition when the Ministry of Culture gave him this large theatre to direct as Paris's first *maison de la culture*. It now has nearly 30,000 members (it began with 1,000 in 1963) and a yearly audience of more than 250,000. Its latest production this autumn is—Sean O'Casey's *Cock-a-Doodle-Do*.

As in England the director has come to occupy an increasingly central role in the French theatre. The famous group of directors and actors known as Le Cartel des Quatres was formed in 1926 consisting of Dullin, Jouvet, Flaminio and Bary. Stemming originally from Copeau's Vieux-Colombier, it had no other policy than a rejection of the crude Zolaesque forms of naturalism and a united dislike of commercial values. Since its inception

the professional director has become crucial to the production of any play. Jacques Copeau's attitude to the text used to be reverential. Other directors who followed in this tradition, such as Michel Saint-Denis, were altogether self-effacing in their work. Any element which called attention to the production was thought to be an intrusion. Jean Vilar, oriented more towards the left-wing theatre, believed that the director must be assassinated in order that the actor should gain freedom to explore his part, while Roger Planchon set himself to begin simply with the task of imitating Brecht.

Jean-Louis Barrault transformed producing a play into an act of love, into spiritual coitus, for the audience to achieve "orgasm" (these are images used constantly by Barrault). His early work, primarily as a firm, was largely concerned with mime and gesture, and since 1968 Barrault has returned again more to the style of these early years with his enthusiasm for surrealism and his love for the magic of Antonin Artaud, finding expression in *Rabelais*, *Jarry sur la Speke*, and *Nietzsche's Thus Spoke Zarathustra*. His company was established for a while in the elegant Théâtre Récamier, but it now occupies the hitherto deserted Gare d'Orsay, where it recently began to receive official support.

Two of the most distinguished directors of the avant-garde are Roger Blin and Jean-Marie Serreau. They possess the finest qualities of directorial skill, their work is dispassionate, distanced and faithful to the authors. Roger Blin was responsible for the important first productions of Samuel Beckett's *Waiting for Godot*, *End-Game*, *Krapp's Last Tape*, and *Happy Days*, in the first two of which he

took part as an actor. He was also one of the first to put on Adamov's plays, and his most visually impressive achievements have been with the work of Jean Genet, especially *Les Nègres*, and *Les Paravents*.

Jean-Marie Serreau has also fulfilled the function, though to a much lesser degree, of gifted middle-aged playwright. No one like Blin with Adamov, and no one like Serreau with Genet, has turned to writing his own plays instead of directing those of others. He has some six or seven plays to his credit which have strong documentary elements and sense of style, though he has not, in my view, achieved an identity of his own as a playwright. He is director who now runs the world famous TNP from Le Havre, he has abandoned other influences. He is Brecht: Vilar, for example, what concerns the opinion of the public; also Elizabethan and classical. Spandaris play a part in his method.

To Piscator, he owes the use of the "calendar" script of material on which written commentaries, or comments to the public, are made. The programme full of book quotations, print illustrations, and passages from plays. His former assistant, Patrice Chéreau, is now the most brilliant director to have emerged in recent years.

Garry O'Connor's *French Theatre Today* published earlier this month by Pinter.

## Aging literati falter on Olympus

by François Nourissier



François Nourissier: "takeover by pedagogues over the past 20 years"

Rightly or wrongly, I propose to limit this review to works of creation as opposed to works of commentary, discussing my reasons for doing so and the limitations of this option in my conclusion.

The up-to-date version of *Littérature de Notre Temps*, a major work of reference published for a number of years by Castelman, contains no less than 320 entries analysing the works of 320 contemporary French writers, all of them born since the turn of the century. An impressive total. But when trying to draw up a more selective list, one quickly realizes how difficult it is to exclude all but about 50 names. I shall try to avoid tedious enumeration here.

If one seeks to identify the salient characteristics of French literature of the past 10 years and the present day, what does one find? First, a qualitative impoverishment in relation to the period from 1920 to 1940. It is not impossible to judge the worth of a creative period contemporaneously, and there is no denying the fact that the literature of today can boast fewer outstanding men and books than that of half a century ago. Moreover, it is still true that the greatest French writers—Aragon, Breton, Gide, Malraux, Mauriac, Proust, Turgenev—are survivors of the years between the wars.

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What about the new comers? Readers may feel that these enumerations, though these enumerations, too heavily on the established names, the deserving worthies, the notables. Few new writers of consistently high quality have

emerged during the past years. I shall name three: Michel Tournier, J.M.G. Le Clezio and Patrice Chéreau. These men are in the line of succession. If writers, as anyone with a sense of history, can judge from the first pages of their books. Behind them there is a cohort of candidates for recognition.

I would rather rely on my own personal preference and name Hélène Cixous, sort of avant-garde Valéry, versatile and gifted, Jean-Loup Tréard, Berni, Jacques Almir, a dramatist, René Enri. He forgot some names? ... or to be more precise I have been selective—at risk and peril.

The renaissance of French language writing in countries other than France, for some years now Paris has recognized having their own literary in their own right, is so difficult to pigeon-hole the French context and it is impossible to isolate totally. From Quebec, one should mention Marie-Claire Blais, Réjean Ducharme, Anne Hébert; while from Switzerland, Francis Corin Bille and, above all, Jacques Chessex, are at last gaining recognition. If we say nothing of Belgian authors, because they have been close for so long, from Michaux to Simonen, from Françoise Mallet-Joris to Hélène Marceau (who is taken French nationality that they are regarded as part of the French literary landscape).

I now return briefly to the salient feature of the past decade: the perhaps excessive importance gained by the philosophers, inventors of structuralist, semiotics, linguistics, psychoanalysts. Critic thought now has grand ambitions. Ideas are gradually evicting the good of fashioned novel from the literary household. Poetry, being mobilized in support of psychoanalytical research. In the universities, even in the press, the influential names are Claude Lévi-Strauss, Roland Barthes, Michel Foucault, Jacques Lacan, Jacques Derrida, Gilles Deleuze. It would be absurd not to include the names, with some prominence, even though one may be tempted to ask: "What there in common between Lacan, Jacques Derrida and Deleuze as Madame Yourcenar?" But perhaps this spot holds the key to the literary exercise which calls for aloof independence and jealousy attachment to individuality on the part of its exponents and, among the literary household, poetry, being mobilized in support of psychoanalytical research. In the universities, even in the press, the influential names are Claude Lévi-Strauss, Roland Barthes, Michel Foucault, Jacques Lacan, Jacques Derrida, Gilles Deleuze. It would be absurd not to include the names, with some prominence, even though one may be tempted to ask: "What there in common between Lacan, Jacques Derrida and Deleuze as Madame Yourcenar?" But perhaps this spot holds the key to the literary exercise which calls for aloof independence and jealousy attachment to individuality on the part of its exponents and, among the literary household, poetry, being mobilized in support of psychoanalytical research.

The author, who was born in 1927, is one of the leading younger French novelists. He is also dramatic critic of *Le Figaro* and literary critic of *Le Monde*. His published works include about a dozen novels, translated into English and French. He obtained the Grand Prix de la Littérature Française in 1966 and the Femina Prize, one of the leading literary prizes, for his novel *La Crève* in 1970.

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